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ABSTRACT

This instructional package, consisting of a text and 16 transparencies, is designed for the high school classroom. The three lessons in this instructional package are: (1) "The German Worker" (six activities); (2) "Government in Germany" (seven activities); and (3) "Culture and Daily Life in Germany" (six activities). Student activities focus on comparative economic systems, worker training and apprenticeship programs, structure of government (including case studies of the health care system and the federal budget), the role of the press in Germany, and leisure activities. Each lesson states educational objectives; lists materials and resources; provides background information; and presents activities. (BT)



Cultural Reflections: Work, Politics, and Daily Life in Germany. Social Studies Grades 9-12. Update 2002.

Glen Blankenship
D. William Tinkler

Goethe House, New York, NY. Inter Nationes, Bonn (Germany).

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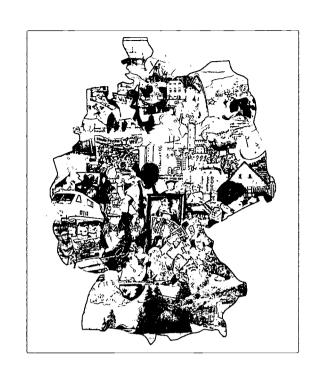
CULTURAL REFLECTIONS

Work, Politics and Daily Life in Germany

Update 2002

SOCIAL STUDIES

GRADES 9-12





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Cultural Reflections

Work, Politics and Daily Life in Germany

Social Studies

GRADES 9-12

by Glen Blankenship and D. William Tinkler



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Introduction

This collection of lessons was developed as a result of study/travel seminars attended by Georgia educators during the summers of 1989, 1991, and 1993. An ongoing goal of the project was to develop and disseminate exemplary lessons for teaching about the Federal Republic of Germany.

These lessons are designed so that they may be used individually via integration into the curriculum, or collectively used as a complete stand-alone unit. The teacher should adjust the materials to accomodate the needs, interests, and performance levels of students in their classrooms. Each lesson begins with an outline for teaching which includes instructional objectives, a list of necessary materials, and a sequenced list of procedures for using the activities provided with the lesson. The lessons provide the teacher with most of the materials needed for implementation.

The authors would like to thank the following Georgia educators for the significant contributions of ideas and materials resulting in this instructional kit.

Eddie Bennett, Director of Staff Development, Pioneer RESA; Stuart Bennett, Principal, McIntosh High School; Horst Bussiek, German Language Consultant, Georgia Department of Education; Carolyn Smith Carter, Bradwell Institute, Liberty County Schools; David Cline, Cedar Hill Elementary School, Gwinnett County Schools; Gwendale Belle Gaines, Miller Middle School, Bibb County Schools; Ruth Gassett, Fine Arts Coordinator, Georgia Department of Education; Gwen Hutcheson, Social Studies Coordinator (retired), Georgia Department of Education; Glen Jones, German Language Teacher, LaFayette High School, Walker County Schools; Jeanette Kirby, Social Studies Coordinator (retired), Muscogee County Schools; Carol McCullough, Heritage High School, Rockdale County Schools; Emmett Mullins, Cedar Hill Elementary School, Gwinett County Schools; Mary Mullins, Art Teacher, Snellville Middle School, Gwinett County Public Scools; James Pippin, Arnold Junior High School, Muscogee County Schools; Kim Puritt, Banks County High School, Banks County Schools; Helen Richardson, Executive Director of Curriculum Services, Fulton County Schools; Marsha Scheppler, Timothy Elementary School, Clarke County Schools; Donald O. Schneider, Professor of Social Science Education, The University of Georgia; Lindsey Smith, Lovejoy High School, Clayton County Schools; Carolyn Soff, Renfroe Middle School, Decatur City Schools; Mary Spillane, German Language Teacher, Cobb County Schools; Marie Wilson, Georgia Council on Economic Education.

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Modern Germany

Materials for the **Social Studies Classroom Description of Publications**

A Kid Like Me Across the Sea is a primary/elementary instructional package targeted at grades K-3 with interest level extending to adult. This series of five lessons draws heavily on interpretation of photographs and addresses the topics of physical and cultural geography; basic needs of food, clothing and shelter; community services and community helpers; transportation and communication; political symbols; and migration of people.

Communities and Regions in Germany is an instructional package targeted at upper elementary curriculum. This instructional package, presented to students as a travelogue, stresses basic map and globe/geography skills and presents case studies of communities (cities/towns/villages) across Germany.

Overview of Germany is designed for middle school classrooms. The four lessons in the package correlate to the study of world cultures (perspective taking and symbols), geography and government. The materials focus on national studies and state studies from a comparative United States/Germany approach.

Germany in Europe: Enduring Issues is designed for the middle and secondary school classroom. The unit is organized around three topics: Germany in the European Union (history of the EU, characteristics of member states, and EU governance), Economic Issues in Germany and the European Union (the Euro, environmental policy, standard of living), and The People of Germany and the European Union (citizenship, nationalism, immigration, and the legacy of the Holocaust).

The Geography of Germany is designed for high school classrooms. The five lessons in this instructional package relate to the "Five Themes of Geography" (Location, Place, Human-Environment Interaction, Movement and Region) as promoted by the National Geographic Society. The lessons are designed to support the teaching of courses in world geography and world history.

Cultural Reflections: Work, Politics and Daily Life in Germany is also designed for the high school classroom. The three lessons in this instructional kit include "The German Worker," "Culture and Daily Life in Germany" and "Government in Germany." Student activities focus on comparative economic systems, worker training and apprenticeship programs, structure of government (including case studies of the health care system and the federal budget), the role of the press in Germany, and leisure activities.

Additional materials which support these instructional programs are also available: political and physical wall maps of Germany and Europe; Germany Since 1945: A Focus on Berlin video; Facts About Germany handbook; and additional resources.

> These materials were written by social studies educators in Georgia and printed by Goethe-Institut Inter Nationes, Bonn

> > Single copies at cost price are available from National Council for the Social Studies, NCSS Publications

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Modern Germany

Materials for the Social Studies Classroom Scope and Sequence, K-12

Grade Level/Course Materials/Title Κ Individuals Families A Kid like Me Across the Sea Elementary 2 Neighborhoods Communities 3 Communities and Regions in Germany States and Regional Geography 4 Elementary/Middle 5 U.S. History World History 6 7 World Geography Overview of Germany Middle State History and Government 8 9-12 U.S. Studies Citizenship **Economics** U.S. History American Law The Geography of Germany American Government Secondary World Studies World History **Cultural Reflections** World Geography International Studies/ Secondary Contemporary Affairs Comparative Government **Behavioral Studies** Germany in Europe: Enduring Issues Sociology Psychology Middle/Secondary Anthropology



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Lesson 1 The German Worker

Lesson Objectives

The student will be able to:

- compare his or her personal family budget with how typical German families allocate their money.
- analyze and evaluate specific auto companies (Ford and Daimler-Chrysler) in the United States and Germany.

Materials and Resources

Activity 1 – Employment in Germany

Transparency 1	"Employment"
Transparency 2	"Work Time and Vacation Time"
Transparency 3	"Partners: Employers, Employees and Unions"
Handout 1.1	"Employment"
Handout 1.2	"Employers, Employees and Unions"
Handout 1.3	"Work Time and Vacation Time"
Worksheet 1.1	"Comparing the Workforce in Germany and the
	United States"
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Activity 2 - German Workers' Productivity

■ Worksheet 1.2 "Case Study of Two Auto Makers"

Activity 3 - German Household Income

■ Worksheet 1.3 "Household Income Distribution"

Activity 4 – German Household Expenditures

■ Transparency 4 "Income and Expenditures of Private Households"

Activity 5 – German Household Buying Power (East/West)

Handout 1.5 "Comparative Expense Data"

Activity 6 - Germany and the United States: A Comparative Economic Review

Handout 1.6 "Germany and the United States: A Comparative Economic Review"



Activities

Activity 1 - Employment in Germany

Germany enjoys remarkable industrial output and international market status while simultaneously providing long vacations and short working hours for its work force. How does this compare with the productivity and working conditions in the United States? Six weeks prior to beginning this activity, students as a class should contact the U.S. Department of Labor for current information about type and percentage of U.S. employment, union affiliation, average salary, productivity, vacation leave, and length of average work week. The teacher may use Transparencies 1, 2 and 3 to provide an overview of the work environment in Germany.

Next, students should receive Handouts 1.1 "Employment", 1.2 "Employers, Employees and Unions" and 1.3 "Work Time and Vacation Time" as background reading about German workers. Using Transparency 1 and Handout 1.1 "Employment," ask students to fill in a data retrieval chart (Worksheet 1.1 "Comparing the Workforce in Germany and the United States").

After the data are compiled students can discuss whether Germany can continue to offer such high wages and social benefits while maintaining high levels of international market share. To focus discussion on such issues, students should read Handout 1.4 "Deutsche Doze" and answer the following questions.

- How does information in this article about the German work week and vacation time compare with information found in Handouts 1.1, 1.2 and 1.3?
- To what extent can one generalize the attitude depicted by the "salami cutter" to the general working population of Germany?
- Are Germans best characterized as "worker bees," "slugs" or as something in between the two? How do they compare with American workers?
- Does the current state of the German economy support or refute the author's comments about worker laziness? What evidence supports your answer?

Students should become aware of the fact that not everything in this article corresponds to reality, i.e. the interest-free loans for students are only paid 6

years at the longest, the average number of years for studying is 7 years; the Germans do not take the longest vacations of any Europeans, the Dutch do; stores are open later than 6:30 p.m. and on Saturday and Sunday; and the experience of telephone conversations being cut off is not at all that common.

Activity 2 - German Worker's Productivity

One way to focus on productivity and the German worker is to select a particular industry as a case study. Of particular interest to many students is the automobile, so it seems logical to choose a major German and U.S. car manufacturer for the case study. Have students first write to two manufacturers (e.g. Daimler-Chrysler and Ford) requesting such information as annual reports, product reviews, and other documents which detail average pay and benefits to workers. Then, students should complete Worksheet 1.2 "Case Study of Two Auto Makers." Ask students to refer to their worksheets to draw comparisons between the two auto makers and develop a set of criteria on which to evaluate their relative success in the market-place.

Activity 3 - German Household Income

Have students refer to Worksheet 1.3 "Household Income Distribution" and create a bar or pictograph that illustrates the data from the table. Make sure students know which variables go on the vertical and horizontal axes. A scale on the vertical axis should be created which illustrates a range from 0 to 6 million households. The various net incomes should be listed along the horizontal axis.

Once students have answered the questions on the worksheet, ask them to compare the German incomes (from former West Germany) with that of households in the United States. Ask what additional information students would need to make a realistic comparison of lifestyles in the two countries.

Activity 4 - German Household Expenditures

The following income data deals only with the former West Germany. The Federal Bureau of Statistics has compiled a list of average monetary figures for certain types of families that gives a general idea of typical income and expenditures.





Household Example I consists of two people receiving retirement benefits and who are on a fixed income.

Household Example II represents an average family - a married couple with one person working, 2 minor children, medium income.

Household Example III is a four-person family of civil servants with a higher-than-average salary.

Here are the monthly figures for these three types of households in 1998:

family (89% in West Germany; 67% in East Germany). Next, have the students create two circle graphs showing what percentage of income is spent on the following items in each part of Germany: Food, Rent, Education/Entertainment, Furniture, Clothing, Utilities, Insurance, Luxury Articles, Car, Donations/ Gifts, Traveling/Jewelry.

Students should note the marked difference in percentage of income devoted to basic needs between the regions. Also, ask students to speculate as to the

> differences in expenditure categories between east and west (e.g. lack of travel opportunities for East Germans). A comparison of buying power shows a marked difference between east and west. For any particular consumer good, a worker in former East Germany had to work longer than his counterpart in the

west. Share the data in Table

2 with students regarding the amount of work time required to pay for each item. Based on these data. ask students to speculate as to what items in the east were supported by the government? What items considered "necessities" in the west were considered "luxuries" in the east? As a result of the economic, monetary, and social union wages and salaries in the east are changing. According to present calculations it is expected to take about ten years for incomes in the east to catch up with those in the west.

Example I Example II Example III 2.911 DM 7.239 DM Gross Income 11.164 DM Income and property taxes 0.45 DM 662 DM 1,750 DM Social Security premiums 172 DM 1,128 DM 884 DM Net Household income 2,739 DM 5.449 DM 8.530 DM Adding in additional income such as the sale of used goods, etc.,

the statistical disposable income for each of the three households is:

Example I	Example II	Example III
2,802 DM	5,850 DM	9,291 DM

Using Example II as a model of an average German family and \$53,000 a year as the average U.S. family, make comparisons about what percentage of this income is spent on various categories. Refer to the pie graph in Transparency 4 for the German expenditures. Ask students to inquire with their parents about what percent of their take-home pay is devoted to similar categories (rent/mortgage, utilities, clothing, food, car maintenance and travel, and miscellaneous). Discuss how German and U.S. families differ in terms of their expenditures. What might account for these differences?

Activity 5 - German Household Buying Power (East/West)

A comparison of incomes of the former West Germany and the former East Germany shows there is a great disparity between the eastern sector and the western sector. In 1990 the average income of a worker in East Germany was less than half of that earned in West Germany. In the west in 1989 the average monthly salary was 3,650 DM gross/2,300 DM net while in the east it was 1,150 DM gross/980 DM net. To demonstrate to students the difference between household expenditures in the two nations before unification, distribute Handout 1.5 to students. Ask students to use the data in Table 1 to compute the total expenditures of each family (3,576 DM in West Germany; 1,559 DM in East Germany) and the percentage of the total income this represents for the

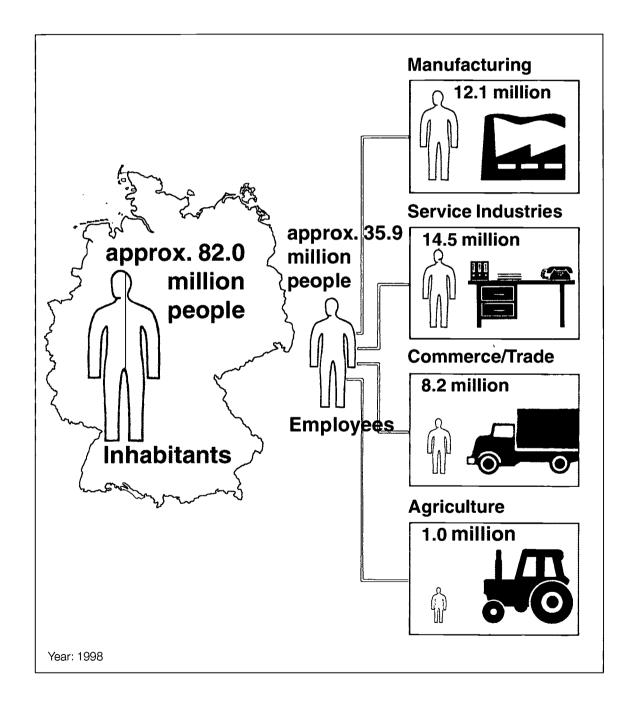
Activity 6 - Germany and the United States: **A Comparative Economic Review**

Germany's GDP is a little less than one third the size of the United States'. However, Germany's GDP per capita is nearly as high as of the United States. Distribute Handout 1.6 to groups of students for analysis. Next, lead a discussion on factors which contribute to this statistic. Conclude this lesson by having students create a political cartoon expressing the opinion on the U.S. or German economy.





Employment

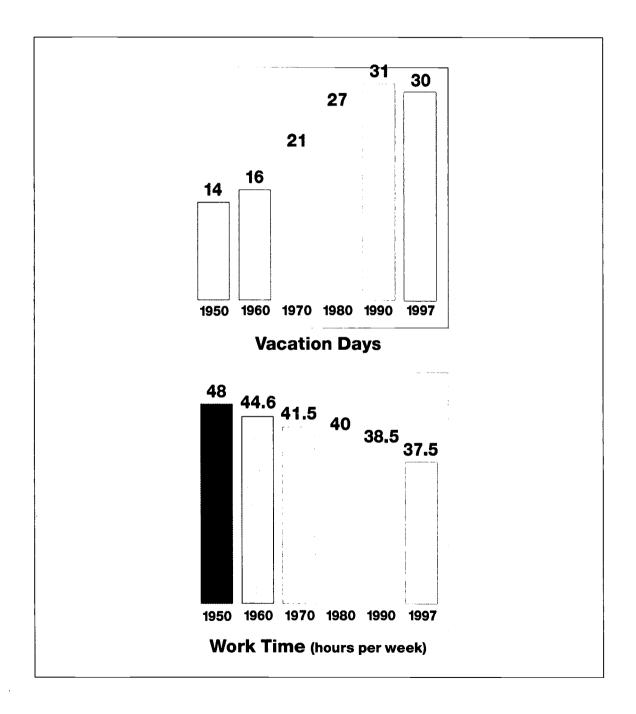




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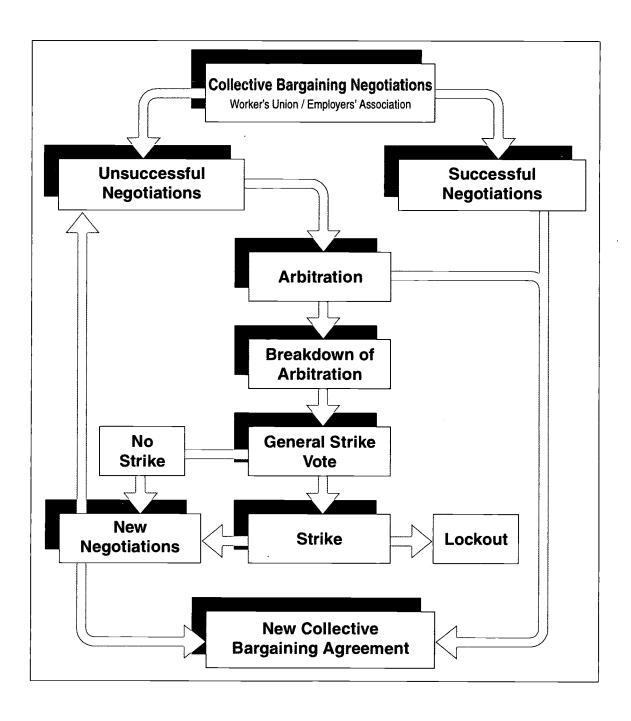
Work Time and Vacation Time





L1

Partners: Employers, Employees and Unions









Employment

Germany has a population of about 82.0 million people. Of this number 40.0 million are male and 42.0 million are female.

In Germany in 1998, 35,9 million people were employed, which is 44% of the total population. 21 million of the male population (51.2%) and 15 million of the female population were employed (36.6%).

In Germany in 1998, 3.6 million people were selfemployed. An additional 400,000 family members participated in these enterprises.

The German employment sector has been restructured over the past 20 years. The number of employees in the areas of manufacturing, mining and agriculture and silviculture has decreased. On the other hand, the number of employees in services professions (teachers, doctors, nurses, policemen, waiters, retail workers) and in the construction industry has increased. Overall, the size of the blue-collar workforce has been declining in comparison with the white-collar workforce.

There is still employment inequality between men and women. In the mid-1990s, for example, women in private industry earned only 70%, on the average, of what their male colleagues earned. The state is in charge of promoting equal opportunity for both sexes and with eliminating discrimination on the basis of sex.

Between 1970 and 1993, the number of gainfully employed people grew by 5 million, to some 37 million. The reasons for this growth were entry of "baby boomers" into the working world and German unification. The number of women seeking to enter the workforce has also been growing.

In 1990, the demand for employment exceeded the number of available jobs by some 3.7 million. By 1994, the discrepancy had grown to about 6.6 million and is currently at 4.1 million.

Employers who employ more than 15 people are required to reserve 6% of their jobs for people with serious handicaps. If they fail to do this, they must pay a monthly compensation fee of 200 DM for every position that should be filled with a handicapped person but has not been so filled. The number of employers who employ handicapped persons is decreasing; the employment rate for the handicapped is currently 4.2%.

The problem posed by illicit work – "Schwarzarbeit" – is growing. Schwarzarbeit is work that is not reported as legally required – and upon which no deductions as legally mandated (taxes, pension fund, health insurance) are paid. Illicit work is punishable by law. In 1998, the authorities investigated in 15,000 cases of illicit work. The total annual damage to the economy caused by such work is estimated at about 100 billion DM.

Unemployment

In 1999, some 4.1 million people were registered as unemployed in the Federal Republic of Germany; some 300,000 people were short-time workers.

The main reasons given for the large unemployment figures include increasing salary and wage costs, transfers of industrial production to low-wage countries, the weakness of the economy in the 1990s and fundamental structural changes within the industrial society. Major differences between eastern Germany's and western Germany's employment levels persist.

The Federal Labour Office (Bundesanstalt für Arbeit), located in Nuremberg, is charged with finding jobs for unemployed people, with vocational counselling, with managing the unemployment insurance fund and with supporting the vocational training system.

Make-work schemes have been established to combat unemployment. These schemes create jobs for unemployed persons; the jobs are temporarily financed, completely or in part, by the Federal Labour Office. Make-work-scheme jobs must supplement existing jobs and they must be non-profit. The overall aim in this connection is to convert such jobs into permanent positions. Since 1993 and 1994, funding for make-work schemes has drastically been reduced, due to cutbacks at the Federal Labour Office.



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Employers, Employees and Unions

Under Article 9 (paragraph 3) of the Basic Law of the Federal Republic of Germany, employees and employers have the right to "form associations to safeguard and improve working and economic conditions." The exercise of that right is manifest in the trade unions and employers' associations which negotiate with each other on an equal basis.

In Germany in 1998 less than a third of the workforce – 10.3 million people – was unionized. The number, however, has been decreased.

The largest group of unions is the German Trade Union Federation (DGB), which embraces 12 unions with about 8.3 million members all told in 1999. The 12 members are: the Metal Workers' Union/the Public Service and Transport Workers' Union/the Chemical, Paper, and Ceramic Trade Union/the Postal Workers' Union/the Commercial, Banking, and Insurance Employees' Union/the Railwaymen's Union/ the Food and Catering Trades Union/the Teachers' and Scientists' Union/the Police Association/the Woodworking and Synthetic Fibres Trade Union/the Union of Construction, Agricultural and Environmental Workers and the Media Union.

Besides the German Trade Union Federation there are three other employees' unions: The German Civil Service Association, the Union of German Salaried Employees, and the Christian Trade Union Federation.

After the dissolving of the FDGB in former East Germany, the individual unions in the west and east began cooperation with each other. In 1990, the member unions of the German Trade Union Federation merged with their sister organizations in the East.

1994, unions accepted for the first time a cut in wage with a shorter work week.

Employers have also formed associations. The umbrella group for these associations is the "Confederation of German Employers' Associations" which consists of 46 individual associations. 23 of the 46 member associations have their headquarters in Cologne or Bonn.

In spite of all conflicts of interests between the employees' and employers' unions, everyone has a goal to raise the standard of living in former East Germany as soon as possible.

Contract negotiations

Collective bargaining in Germany is autonomous. That means employers and workers have the right to bargain and enter collective agreements with each other without government interference. The state does set the general conditions by legislation but it does not lay down how much should or may be paid. This and many other things – for example leave allowances, vacation, etc. – are left to labor and management representatives, the trade unions and employer associations, to negotiate among themselves.

This is the typical way a collective bargaining session happens: A union presents some demands (more pay, more vacation, shorter work hours, etc.) to the employer. If there is agreement, a new contract is approved which is good for a certain specified length of time, at least one year. During this time both sides are required to carry out business under the terms of the agreement without any confrontational actions such as a strike or lockout. If there is no agreement, the matter goes into arbitration. A neutral third party is selected, who is never representative of the government, who works to find a compromise. If one is found, then a new contract is approved. If no compromise can be reached, a general strike vote is taken in the workers' union. If a strike occurs, the employers may retaliate with a lockout (which means the company is shut down and no one works, including the people who are not striking). The strike ends when a new compromise is found and at least 25% of the striking workers approve. A new contract may then come into force.

The autonomy of collective bargaining is seen as an essential element of the health and stability of the German economy.







Work Time and Vacation Time

Work time

Statistically speaking, every German works 200 days per year. This figure is about 40 days smaller than the corresponding figure 20 years ago. Most employed persons do not work on Saturday or Sunday.

In 1997, the average weekly work time for industrial workers in former West Germany amounted to 36,8 hours; for workers in eastern Germany, it was 39,3 hours.

Actual work time is considerably less than the work time specified in tariff agreements. A total of 8% of the work time set forth in tariff agreements is lost to absence (illness, etc.).

The average annual work time in Germany is 1,603 hours.

(For comparison:

Japan: 2,080 hours
Portugal: 1,898 hours
Ireland: 1,817 hours
Spain: 1,788 hours
France: 1,771 hours)

(As of the end of 1997)

Germany's public debate on the work week continues. The following two opposing positions predominate: the unions wish the work week to be cut further, to 35 hours or even less; employers support a return to the 40-hour work week. The unions also demand, as a measure to combat unemployment, that the available work be distributed among a larger number of employed persons, i.e. the work time per person should be reduced. Employers, on the other hand, want to lengthen the work week, without wage increases, in order to enhance production efficiency and to cut wage costs.

To prevent the large-scale layoffs that could have become necessary in the weak economy, the IG Metall Metalworkers' Union and the automobile maker VW agreed on a four-day work week with pay reductions. The weekly work time under this model agreement, which terminated at the end of 1996, is 28.8 hours.

"Short time" (Kurzarbeit) refers to work-time reductions used to compensate for temporary shortages of work and to prevent layoffs. Employees on short time receive special assistance from unemployment funds as compensation for wage reductions.

Demand for part-time work is growing, especially among women. Some 2.5 million employees would like to work shorter hours. On the other hand, some 70% of German companies reject part-time work on the grounds that it involves disproportionately high personnel costs.

Vacation

In 1960 the average number of vacation days a year (agreed by contract) was 16.7. In 1994, it was 31 days. Today Germany gives its workers one of the highest number of vacation days of any country in the world.

Country	Number of Vacation Days/Year		
The Netherlands	36.5		
Germany	30.0		
Italy	31.0		
Denmark	25.0		
England	25.0		
U.Š.A	12.0		
Japan	10.0		

In addition to vacation days, every worker gets a certain number of other holidays (patriotic, religious). The number varies from 11 to 13 according to region and federal state.

The number of work days and holidays is decided upon in contracts negotiated by the workers and management of the individual companies.

The government has no say in the matter. (Following the principle of government non-interference in contract agreements see Transparency 3.)





<u>Comparing the Workforce in Germany and the United States</u>

	FRG	USA
Type of Employment: Manufacturing Service Industry Commerce/Trade Agriculture		
Percentage Unemployment		
Average Work Week (in hours)		
Average Vacations (in hours)		
Average Pay/Bonuses		
Major Labor Unions		
Percentage of Workforce Unionized		
Small Business Ventures		



11

电流



<u>Deutsche Doze: The Leisurely Lives of Germany's</u> Worker Bees

by Marc Fisher

BERLIN, MAY 1992. The trains aren't running on time. In fact, they're not running at all. Since the start last week of the angriest and most comprehensive strike in Germany's postwar history, trash has been overflowing onto the streets. Mountains of mail worthy of the Alps are piling up. By tomorrow Germany's hospitals, steel mills, barges and airports are all expected to be shut down.

What's going on here is not so much about money as it is about Germany's little secret: the leisurely, cosseted way of life that has become an entitlement even as the rest of the world goes on believing Germans to be technonerds who spend every waking moment making precision tools before getting into their perfection-crafted cars for the 120-mph rip down the autobahn to their disciplined home life.

No stereotype about the Germans has the staying power as that of the efficient worker bee. German companies are pleased to perpetuate the myth. Luft-hansa boasts of its "passion for perfection." The Mercedes claims to be "engineered like no other car in the world." Adidas says it offers "Everything that is essential. Nothing that is not."

If it sells sneakers, great, but try these slogans on for size: "Germany: World Vacationing Champion." While the average American's paid time-off dropped by about 15 percent in the 1980s, the average German now racks up a six-week vacation – the world's longest - plus enough national holidays to give workers a total of two full months off every year. And how about: "Why work? Get a check." Only 52 percent of working-age Germans have jobs - compared with 63 percent of Americans. College students here often stretch out their studies over six, eight, even 12 years, living the easy life while the government subsidizes their existence with virtually interest-free loans. Or "Less work, more pay." Germans not only boast of the world's shortest work week but combine it with the globe's highest wages. The average German worker costs \$23.50 an hour in wages and benefits, about one and half times U.S., Japanese and British labor costs. In addition, German workers routinely get both a 13th month's salary and

vacation money – a lump sum of as much as two weeks extra pay.

"Germans take the longest vacations of any Europeans, pay the highest social security premiums and have such a degree of complacency and inertia that, looking at it from inside, one can only wonder how, in the perception of some of our foreign friends, this country still appears to have such an inflated national ego," says Thomas Kielinger, editor of the Bonn weekly, Rheinischer Merkur.

Germans, in short, have grown accustomed to having it all. But behind the good life lie harsher truths. Daimler-Benz Chairman Edzard Reuter, for example, has warned that rising labor costs and high taxes will soon force his company to build its Mercedes cars outside Germany (Mexico and Russia are possibilities). And the newspaper Die Welt reported last week that Mercedes will cut its workforce by 20,000 – the first time the auto maker has had to downsize.

Industry and government alike fear that the German economic miracle faces severe structural problems. Productivity is down while wages continue to soar. More and more big German companies – Siemens, Volkswagen, BMW – are exporting jobs to countries where they can pay workers less while extracting from them more actual work.

Eastern Germany's seemingly endless hunger for capital is a dangerous drain on the German economy. The government had to hike taxes to raise the \$23 billion it is pumping east this year. Then the trade unions demanded hefty raises to cover their workers' higher tax bills.

Now comes the crunch: Do industry and government give in and contribute to higher inflation and less competitiveness? Or do they stand firm and suffer paralyzing strikes like this week's? If the past is any guide, the unions will get more or less what they want. In February, a steelworkers' strike was averted when management offered a raise so large – 6.4 percent – that Germany's central Bundesbank warned it could destabilize the economy.

"The economy is already in stagnation," says Norbert Walter, chief economist at Deutsche Bank. "By the American definition, Germany has been in reces-



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sion since last summer. I can only hope German employers stick to their word about holding down wage increases. History tells us this is very hard to achieve."

Consider last year's Great Pinkelpause Debate. German postal and telephone workers staged work slowdowns and sit-down strikes after contract talks hit a snare over the amount of time allotted workers for bathroom breaks. The previous contract gave workers six minutes and 16 seconds for what were called relaxation breaks, but the unions insisted on a full 10 minutes. This was no frill: Postal authorities said every additional minute would cost the government nearly \$300 million. The unions eventually forced a 20-second increase in each break, but the controversy continues over the details, with the post office standing by its definition of Pinkelpause (precisely two minutes and 17 seconds).

Germans, as the Pinkelpause Debate suggests, take their time off extremely seriously. Earlier this month, all of Germany shut down for Easter – not just for Good Friday and the weekend, but a four-day extravaganza in which no stores were open and no newspapers printed for days on end. This happens several times a year.

For an outsider, there is nothing as stultifying as a German weekend or holiday – what a German friend calls "enforced relaxation," often such quaint activities as feeding the ducks at a lock park. Younger Germans often complain about the lack of activity, especially if they have spent time abroad. But most Germans seem genuinely to enjoy having plenty of time in which nothing can possibly distract them from their appointed leisure.

When Germans hear how little vacation Americans get, their jaws drop. Not only are German workers entitled to six weeks' vacation and 15 annual holidays, but they work ever-shorter weeks – an average of 20 hours weekly in 1990, down more than 25 percent from the 1960 average.

"The Germans don't like to work anymore," says Dietrich von Kyaw, an economist at the German Foreign Ministry. "How can you expand your economy when you don't like to work? The world should be happy: It has finally realized its goal with regard to the Germans, namely not to be workaholics. That's one of the reasons you had to fight two wars against us – because we were so over-eager. Now we are mostly eager to take vacations."

And there's more: Many Germans liberally expand their vacations by taking an average of more than four weeks of sick time per worker. German labor experts estimate that one-third of the days taken off for illness are bogus.

Calling in sick has become so common that the Bonn government is now trying to change the law so workers would not be paid for the first three days of a sick leave. (I've been to German doctors three times, for minor ailments. In each case, the doctor offered to write a Krankschreibung, a note that would get me off work for a week or, in the case of the flu, two.)

"Perhaps Germans are more disciplined than others," Chancellor Helmut Kohl said earlier this year. "But perhaps we aren't quite as disciplined as we used to be." Kohl is said to be upset enough about his countrymen's relaxed ways that he summoned national industrial leaders into his office to discuss how to put some oomph back in German work habits.

Germany has never cottoned to the concept of the convenience society. By federal law, all stores must close weekday evenings at 6:30 (many close earlier). Nothing may open Saturday afternoons or any time Sunday. And those limited hours are strictly kept. Buying lunch one Saturday morning at the spectacular food halls of Berlin's largest department store, KaDeWe, I heard the announcement that the store was closing in five minutes that all customers should move toward the exits.

The man stopped slicing my order of salami and walked away. I called after him, "Can't I have at least what you've already sliced?"

"Nein," he said, "wir haben Feierabend" – "It's quitting time." And he was out the back door.

Technological advances that have supposedly made life more efficient in recent decades have been accepted in Germany only reluctantly. Little is so mistrusted here as the time-saving device, be it the computer or the credit card.

There are historical reasons for most of these prejudices. The society is shot through with fear of gov-



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ernment or industry getting its hands on personal information. (The definition of what's personal differs from ours. The government insists on knowing the religion of each citizen, and no one seems to mind.)

Credit card companies have made few inroads in the German market, and personal checking exists only in a limited and cumbersome form, in good measure because the wild inflation and credit collapse of the 1920s has produced generations of people who trust only cold cash.

Americans who count on a minimal level of efficiency find themselves missing the plane – literally. Lufthansa clerks painstakingly write out tickets by hand, despite having computers within arm's reach. In banks, you wait in one line to hand in your withdrawal slip, then in another to collect your cash. Although some branches are now equipped with computers (frequently, however, there is only one terminal for five or six tellers), the clerks tend not to use them.

One day at a Deutsche Bank office in Bonn, I stood behind a woman who grew more impatient with every second she was forced to wait. When it was finally her turn, the clerk made her wait further while he made a show of stamping each copy of each form several times, then wrote out her orders in longhand.

"The computer is right there," the woman said. "Why don't you use it?"

The bank clerk stood up straight and in a righteously offended tone responded: "There is absolutely nothing automatic about the Deutsche Bank."

There is nothing automatic about the phone system either, and foreigners are surprised by its backwardness. It routinely takes four or five months to get a phone installed. Conversations, across the ocean or down the block, are randomly cut off if the Bundespost needs the line for another customer.*

Faxes, modems, answering machines and other such newfangled stuff are illegal unless you are willing to fill out lengthy applications for government permission and then pay exorbitant sums for government-sanctioned models.

Some basic items cannot be had at all. Phone extensions are illegal in Germany. I asked the Bundespost why. "Datenschutz," he said. Protection of data. To prevent a repetition of Nazi abuses, Ger-

many has made privacy laws so strict that it is illegal for someone who lives in your own home to be on the phone line during your conversation.

The mania for privacy does not, however, protect the citizenry from the broadcast police, who cruise residential neighborhoods in panel trucks equipped with electronic divides that detect the presence of televisions, radios, answering machines, modems and even baby monitors in your home. All such items must be registered with the authorities, and citizens must pay license fees to use them.

The broadcast police once came to my office in Bonn. The agent, claiming to be a fellow journalist, inspected the joint, ignoring my request to know who he was and what he wanted. Only after he finished did he say, "We have you registered for one television and one radio. Everything's in order." Somehow he missed the other four radios in plain view.

So how can it be that such a society is feared by other Europeans as the dominant force of the coming decades? How can it be that the average Bill Clinton speech has at least three references to German solutions to what ails us?

In fact there are good reasons why Germany, at least until reunification, was able to maintain both its affluence and its generous social system.

Discipline. When they work, they do so, by and large, well and fast. Even in crises, most Germans finish their work in the regular hours and head home. Foreign correspondents based here know to get their calls in to government offices or private companies before 3 p.m. and before noon on Fridays.

"German inefficiency is organized inefficiency," says Ralf Dahrendorf, the German-born Oxford historian. "Shops are closed whenever you want to go shopping, but I've never been on a German train that broke down. Everyone goes on vacation at the same time. The system works."

Training. The clerk who sells you bread or a washing machine may seem to have only quitting time in mind, but he actually is vastly better informed and qualified than his U.S. counterpart.

"If you want to buy shoes in Germany, chances are that the assistant in the shoe shop will have had two







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years in a technical school – a shoe school – where they will have learned everything there is to know about manufacturing, marketing and leather," said Bettina von Hase, a management consultant.

Germany's vast system of apprenticeships, internships and government-supported training programs produces a workforce that knows its stuff. The idea that the consumer is always right is abhorrent to most German service workers, but this attitude stems not so much from rudeness as from the knowledge that they indeed do know more than you.

Social homogeneity. In a society with one over-whelmingly dominant culture, there is a far greater willingness to suffer inconvenience as long as one is assured that everyone else is in the same boat. So, as numerous Germans have argued to me, just because Americans like to shop after work or on weekends doesn't mean everyone has to do it. The German concept of fairness says it's not right that one person should have to work after dark or on Saturday if most other people can spend that time with their families.

But there is another, uniquely German factor that helped bring about the dramatic change in attitudes toward work. Since the 1960s, western Germans, as a result of their own confrontations with their elders, have searched for ways to show how different they are from those who lived during the Nazi period. Being less devoted to work – even showing disdain for the idea of a work-oriented life – is a key expression of that quest to be different.

German politicians and industrialists alike worry aloud that their country is drifting toward decline, that a fat and happy nation will fail to see the warning signs and let the scrappy new economies of eastern Europe steal away their jobs.

Don't bet on it. Germany has suffered a decline in efficiency and its workers are coddled and spoiled. But far deeper than the German love for the beaches of Mallorca is the abiding popular need for stability, a complex of fears stretching back 70 years.

German workers last week took to the streets in a last-ditch effort to save their social welfare state. It may not happen this time, but one of these days, a German government is going to say no, and then

German companies will do the same. The day is not far off when Germans will be forced to choose between economic stability and their own leisure society.

They'll probably never give up their 13th-month salary, but the craving for stability is so ingrained that – in a pinch – many Germans would even be satisfied with, God forbid, two months off each year.

*Note: In the meantime (2000) the German Bundespost has lost its telephone monopoly. The system has been modernized and lives up to international standards.

from: Marc Fisher, "Deutsche Doze: The Leisurely Lives of Germany's Worker Bees," The Washington Post, May 3, 1992, page C1.

Mr. Fisher is the Central Europe correspondent for The Washington Post, based in Berlin.



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Case Study of Two Auto Makers

	Daimler-Chrysler	Ford Motor Company
Corporate Financial Health (Profit/Loss for most recent FY)		
Average Pay of Workers (not including management)		
Description of Worker Benefits		
Role of Labor Union		





Household Income Distribution

Household incomes in Germany vary greatly. In Germany in 1993 the distribution was as follows:

Number of Households	Approximate Net Income
1.6 million	less than 1,000 DM
5.0 million	1,000-1,800 DM
6.6 million	1,800-2,500 DM
4.0 million	2,500-3,000 DM
6.8 million	3,000-4,000 DM
4.9 million	4,000-5,000 DM
5.0 million	5,000-7,500 DM
2.0 million	more than 7,500 DM

Most workers receive an additional 13th month of pay as a Christmas bonus.

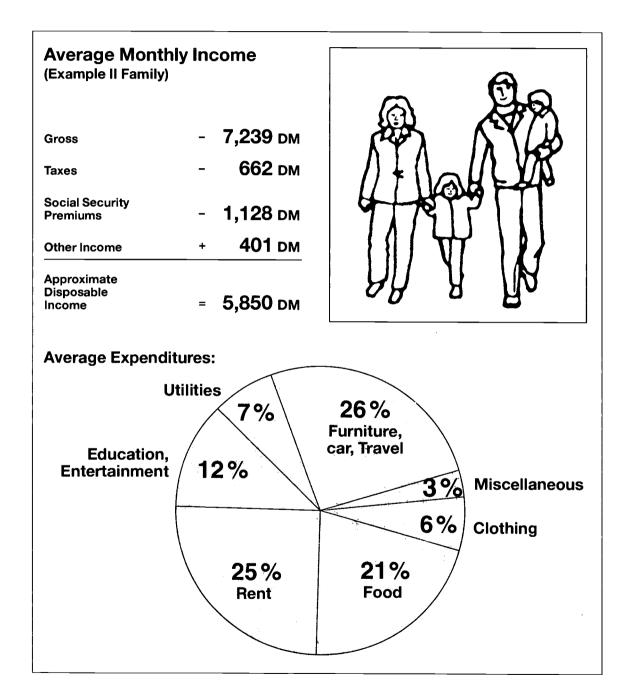
Directions: Create a bar or pictograph which illustrates the data in the table.

- What is the total number of German households represented in the table or graph?
 What percent of German households receive between 800-2,500 DM in net income per month (approximately)?
- 2. About 6.6 million German households earn between 1,800 and 2,500 DM per month. What percent of total households does this represent?
- 3. If the current exchange rate is 1.90 DM per \$1.00 then how much net income/take-home pay in U.S. money is represented by the 2,500 DM that several million German households earn?
- 4. If the average net household income is 5,197 DM, what would the yearly net income be (including the Christmas bonus)? Using 1.90 DM/per \$1.00 exchange rate, what is that net yearly income in U.S. dollars?





Income and Expenditures of Private Households









Comparative Expense Data

Table 1

Monthly Expenditures in East and West Germany in 1989

1. The monthly expenditures for households of a four-person family with a monthly income of 4,014 DM (average) in West Germany are:

Food	793	DM
Rent	696	DM
Education/Entertainment	354	DM
Furniture/Household Effects	288	DM
Clothing	267	DM
Heat/Water/Electricity/Gas	179	DM
Donations/Gifts	139	DM
Travelling/Jewelry	121	DM
Insurance	113	DM
Luxury Articles	110	DM
Car	516	DM

2. In former East Germany in 1989 a similar four-person family with a monthly income of 2,321 DM (above average) East German Marks had the following monthly expenditures:

Food	535	Marks
Rent	51	Marks
Education/Entertainment	54	Marks
Furniture	53	Marks
Clothing	97	Marks
Heat/Water/Electricity/Gas	33	Marks
Insurance/Taxes/Other Deductions	534	Marks
Luxury Articles	202	Marks

Table 2

Cost of basic items in East and West Germany in 1989

	West	East
1 kg bread	10 minutes	5 minutes
2.5 kg potatoes	8 minutes	4 minutes
rent	22 hours 18 minutes	11 hours 19 minutes
250 g ground coffee	15 minutes	2 hours 38 minutes
refrigerator	30 hours	215 hours
color television	84 hours	739 hours







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Germany is roughly 25 times smaller than the United States – the size of the state of Montana – with a population density eight times greater than the United States'. Germany's GDP is about one third the size of the United States'. However, Germany's GDP per capita is slightly higher than the United States'.

General Facts:	Germany	United States
Land Area Population	137,821 sq. miles 82.0 million East:14.0 West: 68.0	3,536,338 sq.miles 270.3 million
Population Densitiy Employed Persons	595 persons/sq. mile 36 million	76.4 persons/sq.mile 138 million

	Western Germany	Eastern Germany	Germany	United State
1994	\$1,833.4	\$213.9	\$2,047.3	\$6,931.4
1995	\$2,150.5	\$262.3	\$2,412.9	\$7,245.8
1996	\$1,572.0	\$199.0	\$1,771.0	\$7,662.0
1997	\$1,610.0	\$211.0	\$1,821.0	\$8,111.0
1998	\$1,708.0	\$180.0	\$1,888.0	\$8,511.0
GDP per capita (1998)	\$26,263.0	\$14,736.0	\$20,499.5	\$27,933.0
Consumer Price Index:				
	Western Germany *	Eastern Germany	Germany *	United State
1994	3.0%	3.4%		2.7%
1995	1.7%	2.1%	1.8%	2.5%
1996	1.3%	1.7%	1.5%	n.a.
1997	1.9%	1.7%	1.8%	2.3%
1998	0.9%	0.4%	0.7%	1.6%
* Germany introduced a CPI f	or all of Germany	in the second half	f of 1995.	
Unemployment *:				
	Western Germany	Eastern Germany	Germany	United State
1994	8.2%	15.30%	9.6%	6.1%
1995	8.3%	14.07%	9.4%	5.6%
1996	10.1%	16.70%	11.5%	5.4%
1997	11.0%	19.50%	12.7%	4.9%
1998	10.5%	19.50%	12.3%	4.5%

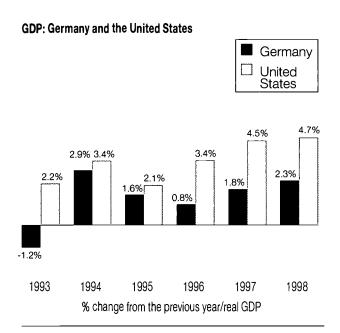






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Federal Budget: (in billions)		
1995	Germany	United States
Expenditures	\$324.1	\$1,514.4
Balance	- \$35.1	- \$163.8
Deficit as % of Expenditures	s 10.9%	10.8%
1996		
Expenditures	\$941.3	\$1,561.0
Balance	- \$67.0	- \$107.0
Deficit as % of Expenditures	7.12%	6.9%
1997		
Expenditures	\$585.8	\$1,601.0
Balance	- \$50.0	- \$22.0
Deficit as %	0 =0/	
of Expenditures	8.5%	1.4%
1998		
Expenditures	\$582.0	
Balance	- \$41.0	
Deficit as % of Expenditures	7.0%	not applicable

GDP: Easte	ern and Wes	stern Germ	any		
	8.5%				astern estern
7.2%		5.6%		<u> </u>	4.0% 3.8%
	2.4%	1.6%	2.0%	2.2%	
-1.8%					
1993	1994	1995	1996	1997	1998
	% change	from the pr	evious year/	real GDP	

Federal Debt: (in billions)		
1985	Germany	United States
Absolute	\$133.40	\$1,817.50
% of GDP	21.5%	45.8%
1995		
Absolute	\$896.30	\$4,988.60
% of GDP	37.1%	67.9%
1998		
Absolute	\$727.50	\$5,478.73
% of GDP	60.1%	64.4%
per capita	\$12,500	\$20,270.07

Trade Balance: (Goods/in billions)		
1995	Germany	United States
Export (% change from 1994)	\$507.5 (+ 5.4%)	\$575.9 (+ 14.6%)
Import	\$442.4	\$749.5
(% change from 1994) Trade Balance	(+ 2.7%) + \$65.2	(+ 12.1%) - \$175.7
1998		
Export	\$499.8	\$683.0
(% change from 1997)	(+ 6.4%)	(- 0.7%)
Import (% change from 1997)	\$432.2 (+ 6.0%)	\$914.0 (+ 4.7%)
Trade Balance	+ \$67.6	- \$231.0



Interest Rates: (Dec. 1999)

3-Monats-Geld/ 3-Month Treasury Bills

Government Bonds

10-Year



5.36%

6.63%

Germany United States

3.20%

5.31%





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1999

Wages and Hours				
	Western Germany	Eastern Germany	Germany	United States
Industrial Hourly Wages	\$14 *	\$10	_	\$16
Hours Worked	1,620	1,737	_	1,896

^{*} Wages are rounded off

German Trade in Goods with the U.S.

The United States is Germany's largest trading partner outside the European Union. In recent years, Germany's trade balance with the United States has shown a small surplus.

Trade in G	loods: (in billions	<u> </u>	
	Exports	Imports	Balance
1992	\$28.5	\$28.3	+ \$0.231
1993	\$31.2	\$26.7	+ \$4.47
1994	\$36.1	\$29.6	+ \$6.5
1995	\$38.1	\$31.3	+ \$6.8
1996	\$39.9	\$32.9	+ \$7.0
1997	\$44.1	\$34.1	+ §10.0
1998	\$51.1	\$38.9	+ \$12.2
1999	\$54.8	\$38.8	+ \$16.0

1998 Exports

The United States was Germany's second largest export market, accounting for 10.2% of all German exports. Germany was the sixth largest export market for the United States, accounting for 3.9% of all United States exports.

Germany's principal exports to the United States were: automobiles (24%), machinery (23.9%) and electrical goods (11.7%).

1998 Imports

Germany was the fifth largest shipper of goods to the United States, with 4.9% of all United States imports coming from Germany. The United States was the fourth largest shipper of goods to Germany with 8.4% of all German imports coming from the United States. Germany's principal imports from the United States were: machinery (23.4%), electrical goods (20.1%), aircraft (9.9%) and food products (5.9%).

German Trade in Services with the U.S.

Trade in Services: (private and government/in billions)				
	Exports	Imports	Balance	
1994 1995 1996 1997 1998	\$12.40 \$13.50 \$9.90 \$12.50 \$11.45	\$11.50 \$14.00 \$11.15 \$12.60 \$14.25	•	
Balance ir	Balance in Current Account:			
	Germany	Unite	ed States	
1994	- \$22.82	- \$-	148.41	
1995	- \$16.53	- \$	148.15	
1996	- \$26.57		n.a.	
1997	- \$28.46		143.47	
1998	- \$30.90	- \$2	220.56	
Direct Investments Abroad: (Investment Flows)				
	from Germany	from Ur	nited States	
1994	\$15.30	9	\$89.32	
1995	\$27.98	Ç	\$90.58	
1996	\$38.24	(\$98.72	
1997	\$34.93	9	\$95.32	
1998	\$76.20	\$	118.56	

In 1998, Germany accounted for 22.3% of all foreign direct investments in the U.S.





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Foreign Direct Investments: (capital inflows/in billions)		
	in Germany	in United States
1994	\$5.79	\$45.10
1995	\$8.62	\$58.77
1996	\$4.24	\$84.46
1997	\$8.33	\$105.49
1998	\$17.49	\$188.96
	•	•

On a historical cost basis through 1998, U.S. investments in Germany accounted for 11.71% of all U.S. direct investments abroad.

1998 Net Investments

With regards to 1998 net investment figures, the U.S. was the first location of choice outside of the EU for German direct investments. 21% of all German direct investments went to the U.S.

The U.S. share of foreign direct investment in Germany is 28%. Therefore, the USA are the biggest foreign investor in Germany.

Foreign Subsidiaries

In the U.S., there are approximately 2,500 German subsidiaries employing over 400,000 people. In Germany there are more than 1,800 American subsidiaries with over 800,000 employees. Among the German companies that have made large investments in the U.S. are Hoechst (Kansas City, MO), BMW (Spartanburg, SC), and Mercedes Benz (Tuscaloosa, AL).

U.S. Investments in the Eastern Part of Germany

Americans are among the largest group of investors in the eastern part of Germany. Over 400 American firms are active in the region. American investments to date in Germany's eastern region total approximately \$12 billion and have secured about 65,000 jobs. Among the American companies that have made large investments in the eastern part of Germany are: Adam Opel AG, Advanced Micro Devices, Coca-Cola, Dow Chemical, Allstate Insurance, Goerlitz Fleece. These investments alone total \$7.93 billion.



V. 16.

Lesson 2 Government in Germany

Lesson Objectives

The student will be able to:

- describe the basic structure of government in Germany and how power is transferred through elections.
- analyze the federal budget of Germany and compare it with federal expenditures in the United States.
- discuss the different approaches in Germany and the U.S. to providing health and retirement insurance.

Materials and Resources

Activity 1 - Structure of German Government

■ Transparency 5A "The Most Important German Political Institutions"

■ Transparency 5B "The Formation of the Bundesrat"

■ Teacher Resource 2.1 "The Most Important German Political Institutions"

■ Worksheet 2.1 "Constitutional Provisions for Elections"

Activity 2 - Political Parties in Germany

■ Transparency 6 "Political Parties in the German Bundestag"

■ Transparency 7 "Ballot"

■ Handout 2.1 "The Political Parties"

■ Worksheet 2.2 "Comparing Voting in the United States and the

Federal Republic of Germany"

Activity 3 – Elections in Germany

■ Handout 2.2 "Interest in Politics and Where It Comes From"

Activity 4 – Health Care in Germany

■ Transparency 8 "Social Security: Health Insurance"

■ Handout 2.3 "Social Security: German Health Insurance"

■ Handout 2.4 "Quality, Affordable Health Care"

Activity 5 – German Federal Budget

Transparency 9 "The Federal Budget"Handout 2.5 "German Federal Budget"

Activity 6 – Social Security in Germany

■ Transparency 10 "Social Security"■ Handout 2.6 "Social Security"



Activities

Activity 1 - Structure of German Government

Germany has a parliamentary style of government with two houses, a president and a chancellor, However, the powers afforded to each of these institutions differ widely from those exercised in the United States. Provide students with information concerning important German political institutions (e.g. Bundestag and the office of the federal president). Transparencies 5A and 5B and Teacher Resource 2.1 explain the relationship among these various political institutions. The Constitution establishes the statutory provisions on elections in the U.S., while the Basic Law defines the same powers in Germany. Distribute Worksheet 2.1 "Constitutional Provisions for Elections" and have students summarize the effect that various provisions from each country's political document have had on voter participation.

Activity 2 - Political Parties in Germany

Political life in Germany is dominated by several large parties. This is especially true in the Bundestag (the popularly elected branch of the federal legislature corresponding more or less to our House of Representatives, or more exactly, to the British House of Commons). Show Transparencies 6 and 7 and distribute Handout 2.1 "The Political Parties" to small groups of students as well. Ask each group to review the information and then respond to the following scenarios referring to the ballot on Transparency 7: You are an 18-year-old German student who is actively involved with environmental issues and the anti-nuclear movement. How would you mark the ballot? A - [Coletta Manemann, Die Grünen]. For almost 100 years your family has belonged to a political party that has supported labor. Your grandfather continued his affiliation even after Hitler outlawed the party in 1933. You are continuing your family's political tradition. How would you mark the ballot? A -[Ulrich Kelber, SPD]. You support Gerhard Schröder and his policies but personally like Coletta Manemann as a candidate to represent your district. How would you mark the ballot? A - [Coletta Manemann, Die Grünen]. You recently moved to Bonn from East Germany. Though your politics are liberal, you never supported the Communist system. How might you mark the ballot? A - [Guido Westerwelle, FDP]. Distribute Worksheet 2.2 "Comparing Voting in the United

States and the Federal Republic of Germany" for students to complete as a summary and review of information covered in this lesson.

Activity 3 - Elections in Germany

Part of the democratic heritage of the United States is political interest and participation in elections at all levels of government. However, in recent presidential elections approximately 50% of the citizens eligible to vote actually cast their ballots. Furthermore, many voters seem to know little about major public issues affecting the nation and are unfamiliar with the candidates on the ballot. In contrast, German citizens have a much higher election turnout, averaging 75% or higher in recent federal elections. To ascertain the level of political interest and its source among U.S. students as compared with that in Germany, divide the class into groups of three or four to conduct surveys in the school and/or community. Ask respondents to identify the chief source(s) of their information regarding political news (friends, parents, newspaper, television, discussion groups, club/unions, political parties). Tally the responses for the class and place the results on the chalkboard or overhead transparency. Have students construct a graph from the data. Distribute copies, or use a transparency, of German youths' answers to the same question (Handout 2.2 "Interest in Politics and Where It Comes From") and ask for observations, similarities and differences.

Activity 4 - Health Care in Germany

Assign students or student groups the following scenario:

You are a member of President Clinton's planning team to revise and implement a national health plan in the United States. One model for the proposed U.S. system is the German health care system, which has been in place for more than 100 years.

Using Transparency 8 "Social Security: Health Insurance," Handout 2.3 "Social Security: German Health Insurance," Handout 2.4 "Quality, Affordable Health Care" and current event articles, ask students to prepare a proposal which compares similarities and differences of the German system with the proposed Clinton plan. The paper should also contain recommendations that relate to the following questions:



- What is the specific financial responsibility of employers? Of employees?
- What is the specific financial responsibility of the federal government to provide care for unemployed citizens?
- What specific measures (e.g. incentives, penalties) are designed to keep health costs low? After composing the proposal, have students discuss the obstacles to its implementation (e.g. congressional opposition, increasing the national deficit). Compare such problems with those being addressed in Germany in light of the financial burdens imposed by unification.

Activity 5 - German Federal Budget

Have students review Transparency 9 and Handout 2.5 "German Federal Budget" to compare the major budget categories, revenue sources and budget procedures with those used in the United States. Have students call their congressional representatives or federal agencies to obtain similar information about the current U.S. federal budget, including U.S. social security expenditures. Using the information in Transparency 9 "The Federal Budget" have students calculate the percentage of the budget devoted to social security. Remember, in Germany "social security" includes both retirement benefits as well as general health care provisions. Compare the relative expenditures by both governments. If the proposed health plan for the U.S. costs \$100 billion to implement, how much of the total budget would this become? Discuss with students what the relative expenditures in each country communicate about the priorities and/or values in each national culture.

Activity 6 - Social Security in Germany

Another problem facing both countries is the growing percentage of citizens reaching retirement age relative to those paying into the retirement system. Have students imagine that they are members of the U.S. Congress who must develop a method for continued funding of the increased social security costs through the year 2025. Set up a debate as to whether taxes should be increased or other federal programs cut in order to finance the increased retirement costs. Based on the information presented in Handout 2.6 "Social Security," and Transparency 10, how might

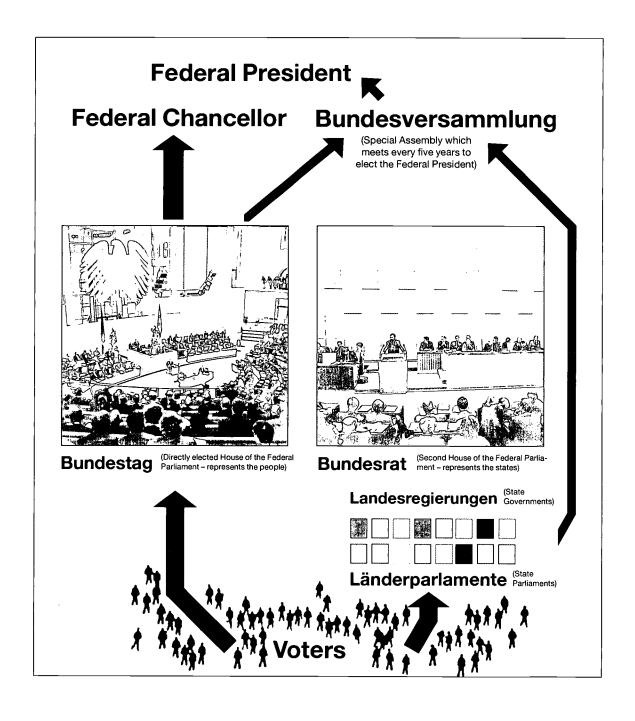
Germans approach this same dilemma, especially after the tremendous tax increases related to unification?



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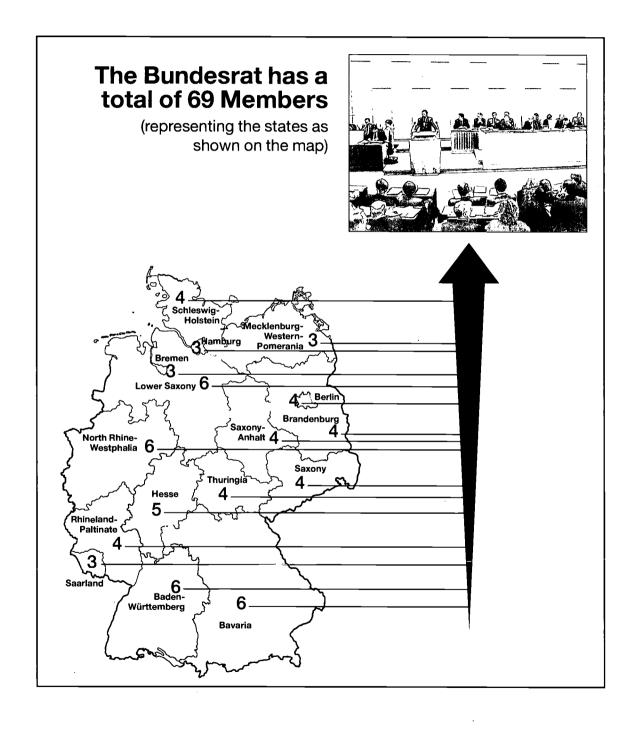


The Most Important German Political Institutions





The Formation of the Bundesrat





The Most Important German Political Institutions

Page 1

The most important German political institutions are:

- the Bundestag The (first house of the) federal parliament;
- the Bundesrat The second house of the German parliament whose members represent the federal states:
- the Bundesregierung The federal administration, consisting of the Chancellor and his cabinet, usually elected from the Bundestag;
- the Bundespräsident The head of state, (the Federal President) representing Germany as a whole – aloof from actual politics or the running of the government.

The Bundestag

The Bundestag is elected by the people every four years. The Bundespräsident nominates a candidate for the position of Chancellor, who is then elected by the Bundestag (always the head of the ruling party or coalition.)

Any representative in the Bundestag or Bundesrat, or (as is most often the case) the Bundesregierung (executive branch or administration) may propose legislation, which is then debated in the Bundestag (first and second reading.) Most of the real work of reviewing and discussing legislation is done in the standing committees (consisting of 13–33 members from different parties.) When a vote is taken in the full session of the Bundestag, each member votes according to his/her conscience.

Legislation that affects the federal states must be approved also by the Bundesrat.

The President of the Bundestag ranks second in the hierarchy after the Bundespräsident.

The Bundesrat

The Bundesrat is the second chamber of the parliament. It represents the federal states. Its membership is not elected by direct national vote, but delegated by the state governments.

Depending on its population, each state sends three to six representatives to the Bundesrat (see Transparency 5B).

The Bundesrat consists of 69 members. The president of the Bundesrat, who acts as the federal president's deputy, is one of the prime ministers of the federal states (or the mayors of the city-states of Berlin, Hamburg, and Bremen), who serves in this capacity in rotation, holding the office for one year. Therefore, the prime minister of any one state becomes President of the Bundesrat once every 16 years (there are 16 states.)

The Bundesrat has an important function in the legislative process. The Bundesrat's consent is required for constitutional amendments and for federal legislation which directly affects state affairs. On other issues, the Bundesrat may enter an objection to a law passed by the Bundestag, but its objection may be overridden by a majority of Bundestag members.

If the Bundestag and the Bundesrat fail to agree, the Joint Committee – which consists of members of both houses – is asked to consider the matter. In most cases this committee has managed to work out a compromise. In case no compromise is reached, the legislation is set aside.

The balance of political forces in the Bundesrat changes if the majority party in a federal state loses the next state election. Therefore the case can arise where the majority party in the Bundestag and the Bundesrat are different.

The President of the Bundesrat stands in for the Federal President when he is absent.



The Most Important German Political Institutions

Page 2

The Bundespräsident

The Federal President is the head of state. He represents Germany in international affairs, concluding treaties with other countries and receiving the credentials of foreign ambassadors and envoys, and cultivating the image of Germany in the rest of the world. He formally appoints and dismisses federal civil servants, federal judges, and officers of the federal Armed Forces. His freedom of decision is limited since his directives and orders require the countersignature of the Federal Chancellor or the appropriate Federal Minister.

The political powers of the Federal President are described in the Basic Law (constitution). The idea of the drafters of the Basic Law was to have a head of state with severely limited powers, to avoid the mistakes of the past.

The Federal President has no direct influence on other constitutional bodies. He remains apart from party politics.

A law comes into effect when it is signed by the Federal President.

The Federal President is not directly elected by the people. He is elected by a majority vote of a special assembly called the Bundesversammlung, which meets every five years just for this purpose and consists of the members of the Bundestag and an equal number of representatives of the state legislatures.

The Federal President serves for five years.

The Bundesregierung

The German Federal Government, the "Cabinet", is made up of the Federal Chancellor and the Federal Ministers. The Chancellor presides over the Federal Cabinet. He selects the ministers and makes proposals that are binding on the Federal President for their appointment or dismissal. The Chancellor also decides the number of ministers and their portfolios. He lays down the government policy guidelines. In accordance with these guidelines the Federal Ministers manage their portfolios independently and on their own responsibility.

In the course of day-to-day politics, the Chancellor must also have regard for agreements with partners in the government coalition. Not without reason is Germany's system of government termed a "chancellorship democracy." The Federal Chancellor is the only cabinet member elected by parliament, and he alone is answerable to it.



Constitutional Provisions for Elections

United States Constitution	Relationship to Elections
1. Article II, Section 1	
2. 15th Amendment	
3. 19th Amendment	
4. 24th Amendment	,
5. 26th Amendment	
Basic German Law	
1. Article 38	



Constitutional Provisions for Elections

Key, Page 1

United States

1. Article II, Section 1, of the Constitution [States Conduct Presidential Election]

This section establishes the right of the States to conduct presidential elections or, more precisely, to appoint Electors to the Electoral College. It reads, in part:

"Each State shall appoint, in such Manner as the Legislature thereof may direct, a Number of Electors, equal to the whole Number of Senators and Representatives to which the State may be entitled in the Congress: but no Senator or Representative, or Person holding an Office of Trust or Profit under the United States, shall be appointed an Elector."

and later "The Congress may determine the Time of choosing the Electors, and the Day on which they shall give their Votes; which Day shall be the same throughout the United States."

[NOTES: (1) The clause separating these two paragraphs describes the original manner in which presidential Electors were to cast their votes for president and vice president – a procedure which was slightly altered in 1804 by the passage of the 12th Amendment. (2) There is nothing in the Constitution – or for that matter in federal statute – that requires States to conduct a direct popular vote for president (or for presidential Electors). The manner of choosing presidential Electors remains a matter for each State, although all States since 1860 have employed the direct popular vote for presidential Electors. Before that, however, several States chose their presidential Electors by a vote of their State legislature rather than by popular vote.]

2. The 15th Amendment to the Constitution (1870) [Racial Barriers]

This Amendment eliminates racial barriers to voting and reads, in part:

1 34

"The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of race, color, or previous condition of servitude."

3. The 19th Amendment to the Constitution (1920) [Gender Barriers]

This Amendment eliminates sexual barriers to voting and reads, in part: "The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex."

4. The 24th Amendment to the Constitution (1964) [Poll Tax]

This Amendment eliminates poll taxes as a condition to voting in federal elections and reads, in part: "The right of citizens of the United States to vote in any primary or other election for President or Vice President, for electors for President or Vice President, or for Senator or Representative in Congress, shall not be denied or abridged by the United States or any State by reason of failure to pay any poll tax or other tax." [NOTE: The Voting Rights Act of 1965, as amended, extends the prohibition on poll taxes to cover all elections by virtue of the 14th, 15th and 24th Amendments to the Constitution (see also Harper v. Virginia State Board of Elections 383 U.S. 663, 86 S.Ct. 1079, 16 L. Ed. 2d 169, 1966).]

5. The 26th Amendment to the Constitution (1971) [Age Barriers]

This Amendment prohibits States from establishing any age over 18 as the minimum age for voting (although they may, if they choose, adopt a lower age).

It reads, in part: "The right of citizens of the United States, who are eighteen years of age or older, to vote shall not be denied or abridged by the United States or by any State on account of age."





Constitutional Provisions for Elections

Key, Page 2

Federal Republic of Germany

Article 38 [Elections]

The deputies to the German Bundestag shall be elected in general, direct, free, equal, and secret elections. They shall be representatives of the whole people, not bound by orders and instructions, and shall be subject only to their conscience.

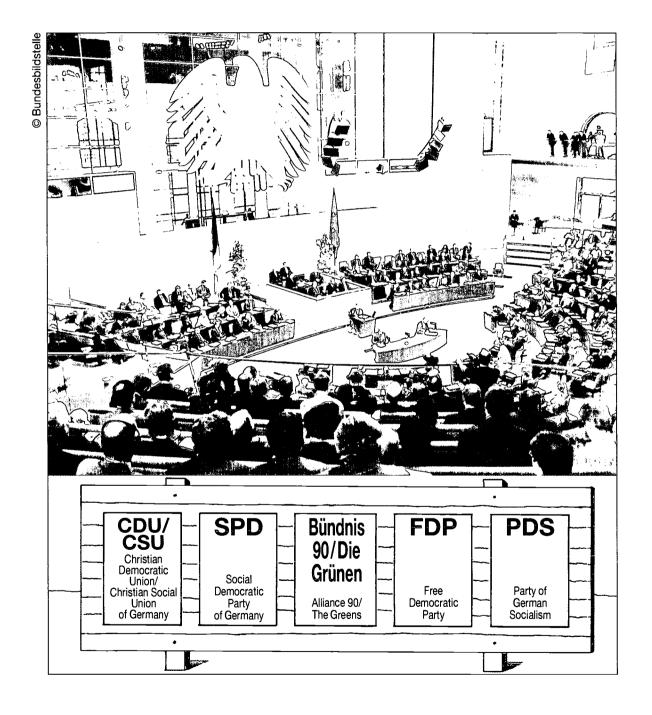
Anyone who has attained the age of eighteen years shall be entitled to vote; anyone who has attained full legal age shall be eligible for election.

Details shall be regulated by a federal law.





Political Parties in the German Bundestag







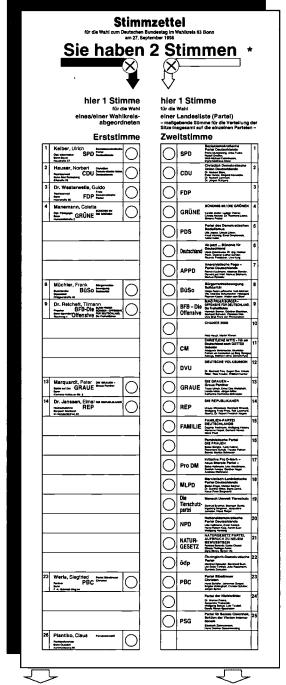
 $\sum_{i=1}^{n} \sum_{j=1}^{n} X_{ij}$

Ballot

Ballot

for the elections to the German Bundestag in the Bonn voting district 63 on September 27, 1998

one vote for a voting district representative



one vote for a candidate of a party list

328 Winners in district elections

328 Candidates according to pay lists

656 Representatives of the German Bundestag

*you have two votes



The Political Parties

Page 1

In the Bundestag, the German Parliament, the following parties are represented:

CDU

The CDU, the Christian Democratic Union, was founded in 1945. In Germany in 1999 the CDU had 625,800 members. In October of 1990 the West German CDU and the East German CDU merged. The chairwoman of the party is Angela Merkel.

The CDU does not exist in the state of Bavaria. Its sister party, with which it is allied, is called the CSU – the Christian Social Union. The chairman of the CSU is Edmund Stoiber. In the Bundestag the two sister parties form one joint parliamentary CDU/CSU block.

SPD

The tradition of another political party, the SPD (Social Democratic Party of Germany) goes back to the 19th century. The SPD is a re-creation of the former mainly labor-oriented party of the same name which the Hitler regime outlawed in 1933. In 1999 the SPD in Germany had 775,400 members. In September of 1990 the east and west branches of the party merged. The chairman of the party is Gerhard Schröder.

FDP

The FDP (the Free Democratic Party) was founded after 1945. It has 68,000 members (1999). The chairman of the FDP is Wolfgang Gerhardt.

Bündnis 90/Die Grünen

(Alliance 90/The Greens) was formed when Bündnis 90, an eastern German grassroots movement, merged with The Greens, a western German party. The Greens evolved from citizens' initiatives and the environmental movement; they formally established themselves as a party in 1980. As of 1999, the Greens numbered 50,200 members. Their co-chairpersons are currently Renate Künast and Fritz Kuhn.

PDS

The Party of Democratic Socialism, was founded in February 1990 in East Berlin, and it is the successor to East Germany's Party of Socialist Unity (Sozialistische Einheitspartei Deutschlands, SED). Whereas the SED was some 2.3 million strong, the PDS has only about 95,000 members. In the eastern German Länder (states), it has 91,800 members and is the strongest party. In western Germany, the party has only 3,200 members. The party's chairman is Lothar Bisky.





The Political Parties Page 2

Political Parties Today

Any German citizen may form a political party, as long as it follows the guideline set down in the German constitution. Altogether there are about 40 political parties or party-like organizations in Germany today.

In the first elections held in the unified country, Germany was divided into two electoral districts. The electoral district that had been West Germany plus West Berlin the five-percent stipulation was in effect – which is a federal and state regulation that states that a party must have at least 5% of the vote to win a seat in parliament. In order to make the chances even for all the political parties this rule was waived for the region that had been former East Germany and East Berlin. This was true only for that one first election.

In the last few years women have become much more active in politics, not only as rank-and-file, but also in positions of leadership. In 1988 the SPD passed a 40%-women-quota, which provided that 40% of political offices and seats in parliament should be held by women. This quota was largely reached in the area of political offices by the middle of 1990.

Political parties are financed by membership dues and from contributions, which come mainly from business. In addition the parties also receive money from the government – 1.30 DM a year for the first 5 million "second votes" in a federal election, for every other vote 1.00 DM, as long as they get the minimum 5%.

There are numerous popular political movements that take place mainly outside of the political establishment. These movements usually address themselves to particular problems, of which the most important is environmental protection.



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The Political Parties Page 3

Elections for the Federal Parliament (The Bundestag)

The Bundestag is the representative body of the German people. It is completely re-elected every four years (i.e. not staggered like our congress) and currently meets in Berlin.

The representatives of the Bundestag are elected in general, free, direct, equal, and secret elections. Every citizen who is at least 18 years old is eligible to vote and may run for election to a seat in parliament.

The Federal Election of December 2, 1990 was fundamentally different from every previous election. For the first time all Germans (e.g. east and west) could participate in a federal parliamentary election.

Previously Germany was divided into 248 electoral districts, but now it has 328 electoral districts.

Each voter has two votes in the Bundestag election. The first vote is cast for a specific candidate (for his electoral district). The winner of a plurality of these votes represents that electoral district in the Bundestag. The second vote is cast for a party. A list of candidates for this vote is drawn up by each party in each federal state: the Landesliste, which may contain some 10–30 names of leading politicians, listed according to their influence in the party. The total number of seats each party receives in the Bundestag is determined by its total nationwide share of the second votes. Once the seats won by individual candidates in the first votes have been filled, the remainder of a party's allotment is filled from its Landesliste, starting at the top.

Half of the 672 members of the Bundestag are elected from the first vote and thus directly elected from the electoral district, and half are appointed from a party's Landesliste, the number of seats a party gets depending on its percentage of "second" votes.

Only parties that command at least 5% of the "second" votes or hold three direct mandates in the Federal Territory (seats won through the "first votes") can be represented in the Bundestag. This 5% clause was introduced to prevent splinter groups from entering parliament and rendering it unable to function, as they had during the Weimar Republic era in the twenties.

In order to make the first federal election of the united Germany as fair as possible, the 5% clause was waived for this one election for the citizens in the territory that had been East Germany.

Parties may form coalitions and draw up a joint list of candidates.

Voting in the election is voluntary. In the first federal election held in the unified Germany on October 16, 1994 79% of eligible voters voted.

The election for the 14th German Bundestag on September 27, 1998 had the following results:

	Percentage of Votes
Party	Total
SPD	40.9%
CDU/CSU	35.2%
Bündnis 90/Die Grünen	
(Alliance '90/The Greens)	6.7%
FDP	6.2%
PDS	5.1%

This resulted into the following allotment of seats in the Bundestag:

SPD	298 seats
CDU/CSU	198 seats
Bündnis 90/Die Grünen	
(Alliance '90/The Greens)	47 seats
FDP	43 seats
PDS	36 seats

In addition to the Bundestag there are state parliaments and local assemblies.

These elections are run basically like the federal elections, but the voters for the most part cast only one vote (i.e. no "second vote" for a party).

The government gives the political parties 1.30 DM for each of the "second votes" it receives in a federal election.

This reduces the political influence of campaign contributions.

Transparency 7 shows the ballot for the 63th electoral district (Bonn) for the September 27, 1998 election.







Comparing Voting in the United States and the Federal Republic of Germany

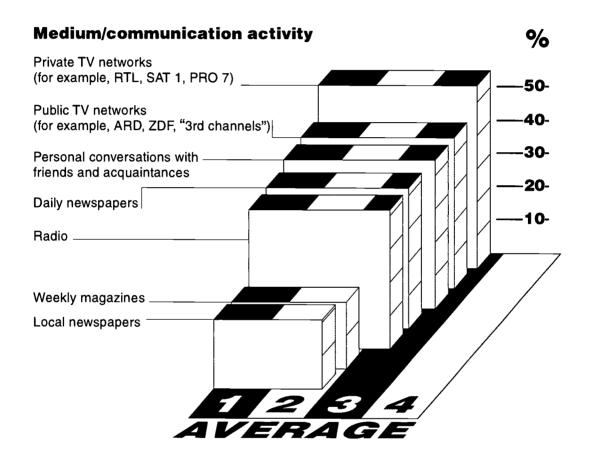
	11 12 10 1	
	United States	FRG
Who may vote? (Age)		
How is voter registration handled?		
How often are elections held for federal offices?		
What is the role of political parties?		
What proportions of eligible voters actually vote in national elections?		
For which offices do the people cast, direct votes?		

- a) Germans have two votes: Explain.
- b) Under what circumstances might an election be held more frequently than every 4th year?
- c) Neither the German Chancellor nor the U.S. President is elected to office directly, but how does the process differ?





Interest in Politics and Where It Comes From



Averages calculated using points as follows:

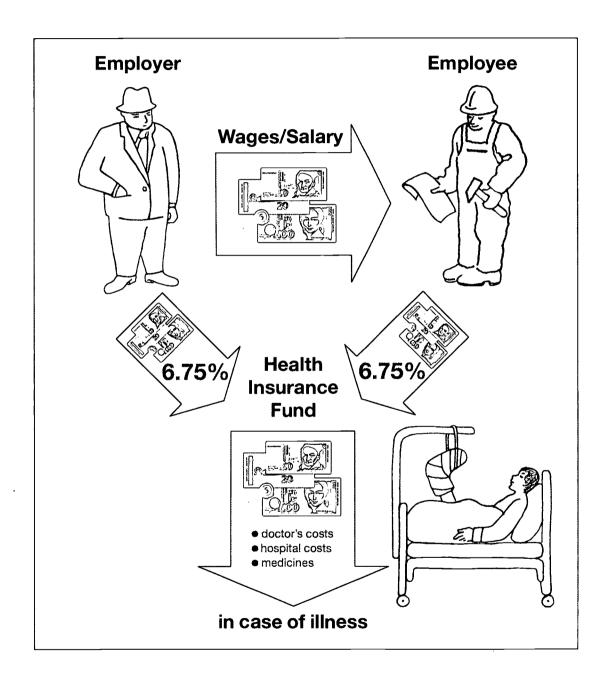




[&]quot;use/engage in very often" = 4; "use/engage in often" = 3;

[&]quot;use/engage in seldom" = 2; "never use/engage in" = 1.

Social Security: Health Insurance





Social Security: German Health Insurance

Health care is also part of the concept of "social security" in Germany. There has been a health care system in Germany for more than 100 years.

The costs of health insurance are paid for by monthly premiums. Depending on the insurance carrier the premiums are between 11.5% and 13.5% of the gross earnings. Half of the premium is paid by the employee and half by the employer.

Unemployed wives or husbands are covered by the insurance of the partner and minor children by the insurance of the father or mother. Unemployed people are covered by health care insurance provided by the government.

In 1990 the Federal Ministry of Health was working on a plan to bring the health care in former East Germany up to par with that in the west. The well-established elements of the former health care system were to be retained. In July of 1990 the health-care system was reorganized. The government-run health insurance system was dissolved in favor of a multiplicity of competing health-insurance carriers. In 1995 the average monthly premium was 13.5% of gross monthly earnings.

The health insurance covers care by physicians and dentists, medicine, hospital visits, check-ups, visits to health resorts, etc.

All German citizens are insured against the financial disadvantages of illness, be it as obligatory or voluntary members of government health insurance programs or as members of private health insurance programs. In government health insurance there is an obligatory membership for all wage earners, regardless of income, as well as for salaried staff and a number of other vocation groups up to a certain income. Also insured against illness are pensioners, unemployed, vocational trainees (apprentices) and students. Those not obligated to insure themselves can continue to do so voluntarily under certain conditions in the government program.

Government employees, self-employed people and employees with large incomes are as a rule privately insured.

Companies with at least 450 employees may form their own so-called "entrepreneurial" health insurance programs when the workers and management agree to do so. In case of illness each insured person receives his/her full wage or salary for up to six weeks of illness. After that the health insurance fund pays sickness benefits for up to 72 weeks equivalent to the regular net wage or salary.

The payment procedure is very simple for the insurance member. The patient simply hands a membership card to the doctor. The doctor bills the insurance fund directly. In private insurance programs the patient pays the doctor and is reimbursed by the insurance company.

The income the insurance programs receive through monthly premiums has been greatly exceeded in the past few years by the amount that has had to be paid out.

In order to control the rising health care costs, new health care regulations came into effect in 1989, with some of the provisions not coming into effect until 1990. For example, people receiving retirement benefits now have to pay health insurance premiums, the insurance payment for prescription drugs, glasses, false teeth, and hospital visits has been raised, and visits to health resorts is no longer free. Currently, health care is again under review.

Health resorts are popular in Germany. An insured person can spend a few weeks in a health resort in order to get over an illness or to strengthen his health in order to prevent illness. An employee can visit a health resort every three years.



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Quality, Affordable Health Care

by Bill Clinton,1992

Page 1

The American health care system costs too much and does not work. Instead of putting people first, the government in Washington has favored the insurance companies, drug manufacturers, and health care bureaucracies. We cannot build the economy of tomorrow until we guarantee every American the right to quality, affordable health care.

Washington has ignored the needs of middle class families and let health care costs soar out of control. American drug companies have raised their prices three times faster than the rate of inflation, forcing American consumers to pay up to six times more than Canadians or Europeans for the same drugs. Insurance companies routinely deny coverage to consumers with "pre-existing conditions" and waste billions on bureaucracy and administration. Twelve years ago Americans spent \$249 billion on health care. This year we'll spend more than \$800 billion.

Health care costs are now the number one cause of bankruptcy and labor disputes.

They threaten our ability to compete, adding \$700 to the cost of every car made in America. Our complex system chokes consumers and providers with paper, requiring the average doctor to spend 80 hours a month on paper work. It invites fraud and abuse. We spend more on health care than any nation on earth and don't get our money's worth

Our people still live in fear. Today almost 60 million Americans have inadequate health insurance – or none at all. Every year working men and women are forced to pay more while their employers cover less. Small businesses are caught between going broke and doing right by their employees. Infants die at rates that exceed countries blessed with far fewer resources. Across our nation older Americans live in fear that they will fall ill – and lose everything or bankrupt their children's dreams trying to pay for the care they deserve.

America has the potential to provide the world's best, most advanced and cost-effective health care. What we need are leaders who are willing to take on the insurance companies, the drug companies, and

the health care bureaucracies and bring health care costs down.

My health care plan is simple in concept but revolutionary in scope. First, we will move to radically control costs by changing incentives, reducing paperwork and cracking down on drug and insurance company practices. As costs drop, we will phase in guaranteed universal access – through employer or public programs – to basic medical coverage. Companies will be required to insure their employees, with federal assistance in the early years to help them meet their obligations. Health care providers will finally have incentives to reduce costs and improve quality for consumers. American health care will make sense.

My plan will put people first by guaranteeing quality, affordable health care. No American will go without health care, but in return everyone who can must share the cost of their care. The main elements include:

- National spending caps. The cost of health care must not be allowed to rise faster than the average American's income. I will scrap the Health Care Financing Administration and replace it with a health standards board – made up of consumers, providers, business, labor and government – that will establish annual health budget targets and outline a core benefits package.
- Universal coverage. Affordable, quality health care will be a right, not a privilege. Under my plan, employers and employees will either purchase private insurance or opt to buy into a high-quality public program. Every American not covered by an employer will receive the core benefits package set by the health standards board.
- Managed care networks. Consumers will be able to select from among a variety of local health networks, made up of insurers, hospitals, clinics, and doctors. The networks will receive a fixed amount of money for each consumer, giving them the necessary incentive to control costs.
- Eliminate drug price gouging. To protect American consumers and bring down prescription drug prices, I will eliminate tax breaks for drug compa-





1 6.

Quality, Affordable Health Care

Page 2

nies that raise their prices faster than Americans' incomes rise.

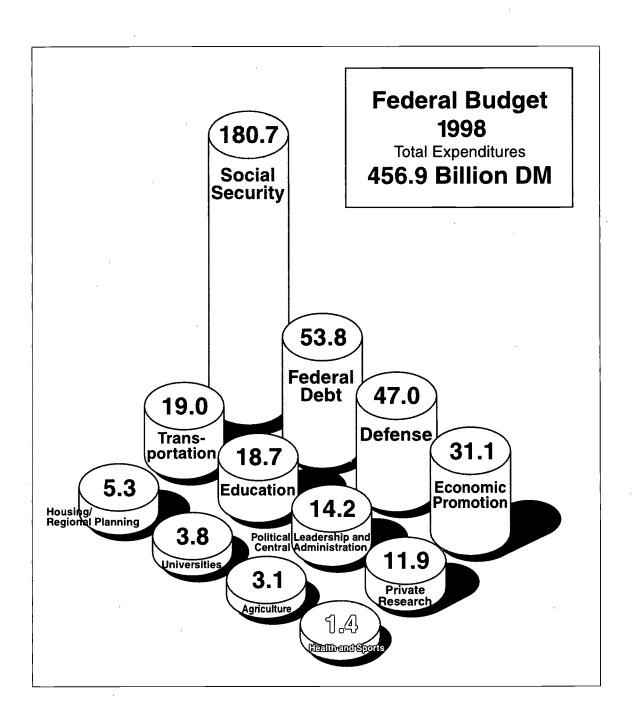
- Take on the insurance industry. To stand up to the powerful insurance lobby and stop consumers from paying billions in administrative waste, we need to streamline the industry. My health plan will institute a single claim form and ban underwriting practices that waste billions to discover which patients are bad risks. Any insurance company that wants to do business will have to take all comers and charge every business in a community the same rate. No company will be able to deny coverage to individuals with pre-existing conditions.
- Fight bureaucracy and billing fraud. To control costs and trim the "paper hospital," my plan will replace expensive billing, coding and utilization review functions with a simplified, streamlined billing system. Everyone will carry "smart cards"

- coded with his or her personal medical information. We will also crack down on billing fraud and remove incentives that invite abuse.
- Core benefits package. Every American will be guaranteed a basic health benefits package that includes ambulatory physician care, inpatient hospital care, prescription drugs, and basic mental health. The package will allow consumers to choose where to receive care and include expanded preventive treatments such as prenatal care, mammograms and routine health screenings. We'll provide more services to the elderly and the disabled by expanding medicare to include more long-term care.
- Equal costs. All businesses, regardless of size, will pay a set amount per person they employ. This system, known as "community rating," will protect small businesses and spread the risk evenly among all companies.



1. 17

The Federal Budget



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German Federal Budget

The Federal Government is required to submit a budget each year to the Bundestag (German Parliament). The budget sets forth the Federal Government's revenue and expenditures. Ideally, revenue and expenditures should be in balance.

The budget committee, which is composed of members of all factions (the composition corresponds to the factions' relative strength in Parliament) deliberates on the federal budget each year and on the relevant supplementary budgets submitted by the Federal Government. The budget committee decides who may spend how much for what. It also has the right to review, and be consulted on, all laws that involve expenditures.

The budget revenue consists of taxes, levies and other income. Since 1975, revenue has been less than planned expenditures; this has resulted in national debt. The debt and interest payments for each year encumber the budget of the following year.

The accession of eastern Germany to the Federation necessitated enormous expenditures for the economic recovery of the new Federal Länder. These costs, along with a weak economy, have resulted in increasing expenditures and decreasing revenue.

Between 1991 and 1998, a total of more than 1 trillion DM was transferred to eastern Germany.

The considerable additional burdens on the federal budget have led to increases in numerous taxes, especially excise duties (such as value-added tax, mineral-oil tax).

In 1995, the total duties and taxes on average earners reached a record level of 48% Currently (2000) taxation is being revised.

As of 1st January 1995, the so-called "solidarity surcharge", amounting to currently (2000) 5.5% of total tax obligations, has been levied to support the new Federal Länder.

Since 1990, the Federal Government's annual borrowing to finance the economic recovery in eastern Germany has increased by a factor of six. The national debt has reached 2 trillion DM.

To reduce its expenditures, Germany is seeking to reduce its contributions to the budget of the European Union. In addition, many entitlements are being reduced – for example, in the areas of social and unemployment compensation (such as unemployment benefits).

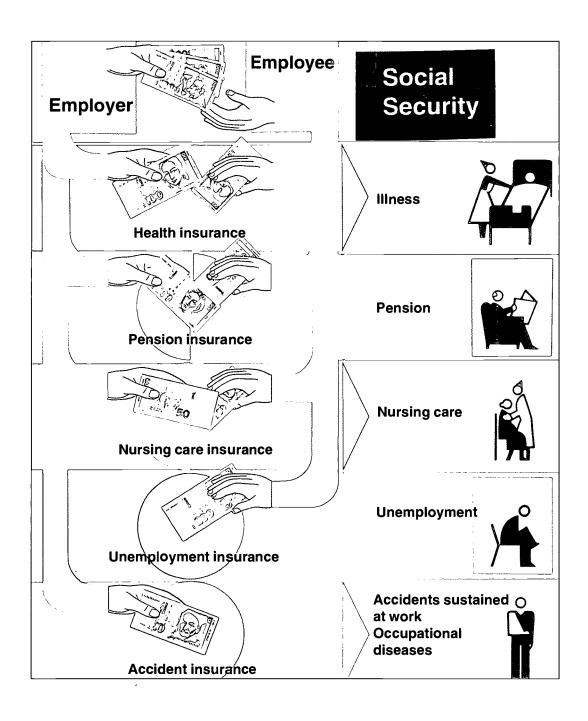
The costs of financing German unity are a constant focus of controversy between the governing and opposition parties.

The 1998 federal budget provided for expenditures totaling 456.9 billion DM, broken down as follows:

,	
Agriculture	3.1
Housing/regional planning	5.3
Private research	11.9
Aid to developing countries	12.0
Political leadership and	
central administration	14.2
Education/science	18.7
Transport	19.0
Economic promotion	31.1
Defence	47.0
Interest payments	56.3
Pensions	84.0
Labour and social affairs	180.7



Social Security



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Social Security

Page 1

The social security system rests on five pillars: health insurance, pension insurance, unemployment insurance and accident insurance; nursing care insurance was added in January 1995.

The social security system is financed through monthly contributions (social security contributions) paid during employed persons' active working lives. An employed person's social security contributions currently amount to about 40% of his or her gross monthly income.

An employed person and his or her employer each pay half of the total monthly contributions due for the employed person (except for contributions for nursing care insurance).

Social security insurance is compulsory under certain conditions. It is not compulsory for employees with higher incomes. The income limit for the assessment of contributions – a limit known as the "Beitragsbemessungsgrenze" – is reset each year.

Health insurance

An important part of the social security system is health insurance, which pays for health and medical care. Health insurance was introduced in Germany over 100 years ago.

Health insurance contributions are paid into a health insurance fund; they currently average about 13.5% of a person's gross income. An employed person and his or her employer each pay half of the total monthly health insurance contributions due for the employed person. An employee's insurance protection also covers his or her spouse (if he or she does not work) and any underage children. Unemployed persons are automatically covered under the law.

Health insurance covers medical and dental treatment, prescriptions, hospital treatments, and checkups. It also covers stays at spas: an insured person can spend several weeks at a spa in order to recover from an illness or revitalize himself or herself so as not to become ill. Employed persons are permitted one such stay every three years.

In case of prolonged illness, an insured employee continues to draw salary/wages for six weeks. Thereafter, he or she receives sick pay from his or her health insurance fund, for up to 72 weeks. The

amount of such sick pay is about the same as that of the employee's net pay.

Pension insurance

Germany's pension insurance system is also about 100 years old. Its purpose is to enable working persons to maintain an appropriate standard of living when they retire. Some 30% of all funds for social services are spent in the pension insurance system (including insurance payments for invalids and dependants of deceased persons).

Old-age pensions are financed through contributions paid by the gainfully employed. In 1998, contributions amount to about 20.3% of a person's gross monthly income. Here as well, an employed person and his or her employer each pay half of the total monthly contributions due for the employed person.

The contributions do not completely cover the costs of the system. The state also pays into the system an amount that depends on requirements. The Federal Government currently subsidizes about 20% of pension payments.

Increasing longevity, lower birthrates and high unemployment are threatening the contribution-based old-age pension system. The number of employed persons who are financing the system through their contributions is decreasing, while the number of retired people drawing pensions is increasing. Whereas in 1993 some 100 taxpayers financed 45 retired persons, in the year 2030 the same number of taxpayers will have to finance 96 retired persons (according to estimates). Various concepts for safeguarding the old-age pension system in the future are being discussed.

People normally begin drawing pensions at age 65. Since 1972, this threshold has been "flexible"; an employee can apply to begin retirement at age 63 and draw somewhat reduced pension payments. Women who have been insured for at least 20 years can retire at age 60.

A person's monthly pension is based on the person's total contributions to the system during the course of his or her working life. An employee who has a high income and thus pays higher contributions will receive higher pension payments than an employee whose contributions were lower.





Social Security Page 2

Monthly pensions are also adjusted to general income trends in the economy as a whole. On the average, retired people now receive nearly 65% of an employed person's average net income.

Nursing care insurance

On 1st January 1995, compulsory nursing care insurance was introduced; its purpose is to cover the financial risks of requirements for nursing care in old age.

Contributions to the nursing care insurance system amount to 1% of an employed person's gross monthly income; as of July 1996, this percentage increased to 1.7%. In most German Länder, this increase is being covered through the elimination of a state holiday. In Länder in which no state holiday is being eliminated, employed persons must pay the entire amount.

An insured person receives subsidies in case of need – for example, for home nursing care, for conversion of handicapped persons' residences or for institutional nursing care.

Unemployment insurance

Employed persons pay contributions into the unemployment insurance system to guard against unemployment.

Contributions to unemployment insurance currently amount to about 6.5% of a person's gross monthly income.

Unemployed persons are eligible for unemployment benefits if they have worked for at least 360 days, within the last three years, in employment requiring contributions. Unemployed persons with children receive 67% of the average net income; unemployed persons with no children receive 60%.

Accident insurance

The accident insurance system has two major functions: it finances preventive health care and it relieves the financial impact of accidents sustained at work and of occupational diseases.

All employees automatically receive accident insurance from their employers.

Only employers pay contributions to accident insurance.



Lesson 3 <u>Culture and Daily Life in Germany</u>

Lesson Objectives

The student will be able to:

- compare the structure and curriculum of contemporary German education with those in the United States.
- describe characteristics of contemporary German art and culture.
- discuss the role of the press and the media in German society today.

Materials and Resources

Activity 1 - Vacation Time in Germany

Activity 2 - Cultural and Recreational Activities in Germany

■ Worksheet 3.1 "Cultural and Recreational Activity Survey"

■ Transparency 11 "Leisure Time"■ Transparency 12 "Culture"

■ Teacher Resource 3.1 "Culture and Leisure Time"

Activity 3 - Newspapers, TV and Radio in Germany

■ Transparency 13 "The Press"

■ Transparency 14 "Radio and Television"

■ Teacher Resource 3.2 "The Media"

Activity 4 - The Free German Press (Part I)

■ Handout 3.1 "Germany Marks 'Crystal Night'"

■ Handout 3.2 "Kohl: Democracy Will Defend Itself Against

Rightwing Extremism"

Activity 5 – The Free German Press (Part II)

Handout 3.3 "Violence Against Foreigners"Handout 3.4 "The New Asylum Agreement"

Activity 6 – The Educational System in Germany

■ Transparency 15A "The School Schedule"

Activity 7 – Apprenticeships in Germany

■ Transparency 15B "The School System"

■ Handdout 3.5 "A Primer on German Schools"

■ Transparency 16 "Apprentices"

Handout 3.6 "The America 2000 National Education Goals"



Activities

Activity 1 - Vacation Time in Germany

Since 1952 the number of hours per day that a worker in former West Germany spent on leisure has risen from 1 to 4 hours. As in past years the Germans spent more on their vacations in 1995 than anyone else in the world. The favorite vacation spots of West Germans in 1995 were Austria, Italy, and France. Because of previous travel restrictions under Communist rule, citizens of the former East Germany are eager to visit countries to which access had previously been denied to them. Two-thirds of the citizens of the former East Germany in 1990 planned trips to other countries, with West Germany being the most popular destination, followed by Austria, France, and Scandinavia.

Assign students to groups of three and have them list the various sites that their families have visited on vacation. Most likely American students will not have traveled to as many different foreign countries as have German families. Discuss with them how geographic proximity makes it easier for German families to have exposure to a greater variety of foreign cultures.

Activity 2 - Cultural and Recreational Activities in Germany

Have students conduct a survey of members of their class, teachers in the school, and people in the community to obtain a cross-section of citizens and determine how much time people spend on various leisure activities (or how often they attend) in a typical month. Worksheet 3.1 "Cultural and Recreational Activity Survey" provides a format for tabulating the collected data. Then, have students compute the relative percentage of Americans who enjoy different kinds of activities and rank them in importance from high to low. Later, students can refer to Transparencies 11 and 12 and Teacher Resource 3.1 about the relative importance of various recreational activities in Germany. What generalizations can be made about what the two cultures value based on this collected data?

Activity 3 - Newspaper, TV and Radio in Germany

Have students bring to class (or provide for them) samples of a daily newspaper in their community. Project Transparency 13 for students to see the front page, business, state and local, and sports sections of a typical daily newspaper in Germany. Ask stu-

dents to compare the formats and type of articles in U.S. and German newspapers (use the headlines as guides even though the texts are all in German). Discuss whether the newspapers of each country are more alike than they are different. Next, have students refer to Transparency 14 "Radio and Television" and compare the number of combined radio-TV corporations represented on the map with the number in the students' own community. Given the size of Germany (roughly equivalent to the state of Montana), students should recognize that Germans have access to a host of media sources. Teacher Resource 3.2 provides detailed information regarding the media in Germany.

Activity 4 - The Free German Press (Part I)

As in the United States, German citizens enjoy the right of freedom of the press. The press is independent of the state. A wide variety of newspapers and magazines provide a broad range of information representing different editorial perspectives. Thus, readers must apply critical thinking skills to evaluate how accurately events are described and interpreted. To illustrate this point, distribute Handout 3.1 "Germany Marks 'Crystal Night'" from The Atlanta Journal and Constitution. Have students work in groups to identify three or four major points about the AP article "Thousands Rally Against New Racism." Ask students to describe the picture that accompanies the article, first without reading the caption beneath it and then again after reading the caption. Next, ask the groups to read the second article on the same page entitled "Thrill of Fight Inflames Some Young Rioters." Discuss how the photograph and the article on young German extremists could easily misrepresent to the casual American reader the attitude of most Germans toward foreigners, Jews, and other cultures represented in German society. Finally, distribute Handout 3.2 "Kohl: Democracy Will Defend Itself Against Rightwing Extremism" from The Week in Germany and ask students to identify the major points and make comparisons with the articles from the U.S. newspaper.

Activity 5 - The Free German Press (Part II)

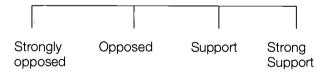
To help students understand that as a democracy, newspapers in Germany hold different points of view



on the same issues, divide the class into six groups and continue the discussion of some episodes of violence that have erupted in Germany. Next, distribute Handout 3.3 "Violence Against Foreigners" to the various groups and have them identify three reasons for the violence against foreigners as identified in the articles (1. lack of strong leadership from government officials, 2. need for constitutional changes regarding asylum, and 3. the moral obligations of individual citizens).

Write the following statement (Article 16, Section 2, from The Basic Law) on the chalkboard: "Persons persecuted on political grounds shall enjoy the right of asylum." Discuss the need for constitutional change as a means of curbing ethnic violence. Ask such questions as: What are the advantages of constitutional change to deal with this challenge? disadvantages? what other options exist? (e.g. only accept political refugees from countries recognized by the United Nations; limit the length of time a refugee may stay in Germany; limit the appeals process and the number of cases going to the Supreme Court). What other legislation could be enacted?

Finally, distribute one of the six different excerpts of German newspaper articles (Handout 3.4 "The New Asylum Agreement") to each of the six groups. Draw a large reproduction of the following Likert scale on the chalkboard:



Ask each group to place the number of the newspaper article under the appropriate heading (e.g. strongly opposed or strongly supportive of the new asylum agreement). Then, ask members of each group to explain why their article would fall where it does on the scale. Students should come to the conclusion that the various newspapers in Germany have differing points of view on the same issue.

Activity 6 - The Educational System in Germany

Cultural traits are determined not only by how a people use their leisure time and the presence of a free press, but also by their educational system. Have students write down their own daily course schedules. While projecting Transparency 15A, analyze

with students how the typical German schedule differs from those of American students. Point out that courses for German students are often staggered during the week and that in some Länder classes are taken on Saturdays (Samstag). Ask students to compare how long the school day is in Germany as compared to that in most U.S. schools. Inform the class that German students engage in recreational sports in the afternoons when not completing the large amount of homework assigned daily. Ask students which class schedule they think is more rigorous, the typical German schedule or their own.

Activity 7 - Apprenticeships in Germany

Project Transparency 15B "The School System" to provide a visual display of the organization of the German school system. Use Handout 3.5 "A Primer on German Schools" to assist students in analyzing the options available to German pupils. Next, use Transparency 16 "Apprentices" to further illustrate the vocational options available. Then, have students play the role of advisors to the Governor who is analyzing school systems in other countries to comply with the goals established in "America 2000" (see Handout 3.6) and implement educational reforms in the state. Based on the synopsis of the German system, have students make recommendations about which elements the governor should borrow from Germany to reform the state's public school system. Students can do this individually or work in small discussion groups. As part of their recommendations, students should defend their proposals. including explanations for procedures or practices which should be adopted and those which should be left the same in American schools. After discussing the recommendations the class as a whole can include them in a real letter to the state's governor.



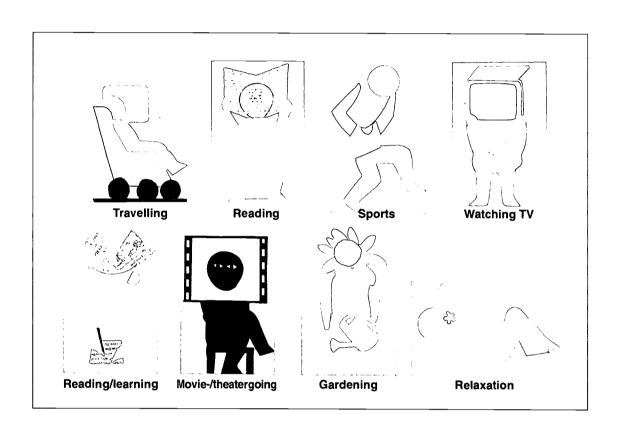
Cultural and Recreational Activity Survey

Directions: Check the leisure time activities in which you regularly participate. For each activity, identify the frequency of participation.

WATCHING TELEVISION	□ usually watch □ game shows □ movies □ news □ educational programming □ situation comedies/soap operas	(hours per month)
LISTENING TO MUSIC	l usually listen to classical rock/pop country	(hours per month) (hours per month) (hours per month)
READING	I usually read ☐ newspapers/magazines ☐ books	(hours per month) (hours per month)
HOBBIES/CLUBS	l usually ☐ garden ☐ sing in a group/choir	(hours per month) (hours per month)
ATTENDING THEATERS	l usually attend □ ballet/opera □ plays □ musicals □ concerts	(visits per month) (visits per month) (visits per month) (visits per month)
VISITING MUSEUMS	l usually visit □ local history museums □ art museums □ cultural museums □ science museums □ historical museums	<pre>(visits per month) (visits per month) (visits per month) (visits per month) (visits per month)</pre>
SPORTS	l usually □ ride my bicycle □ walk/jog □ play team sports	(hours per month) (hours per month) (hours per month)
COMMUNITY EDUCATION	I COURSES ☐ foreign languages ☐ music ☐ personal fitness/health care	(hours per month) (hours per month) (hours per month)

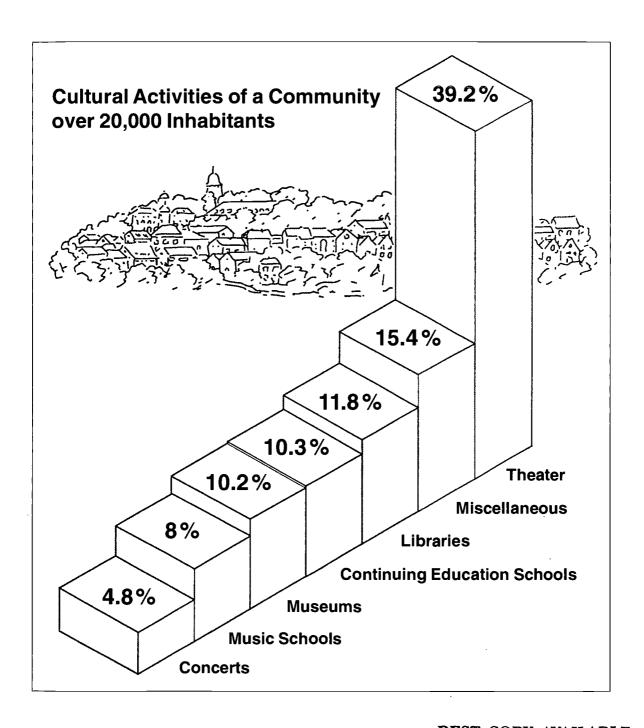


Leisure Time



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Culture



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_ U 59

Culture and Leisure Time

Theater

Germany currently has over 160 public theaters. Some 57,000 performances, on over 460 different stages, are presented in each theater season.

Some 190 private theaters present some 32,000 performances per theater season.

Each year, a total of some 20 million people attend performances in public theaters. The most popular types of events are opera, ballet and plays. Annual attendance at private theaters is nearly seven million.

Most theaters are subsidized, i.e. they receive funding from the state or from cities and communities because they could not survive on the admission fees they collect. Since many cities and communities are now in such a difficult economic position, many subsidies have been reduced or even eliminated altogether.

There are many different ways to become an artist. One way is to attend a Kunsthochschule, an arts college. Germany's 45 Kunsthochschulen have a total of some 30,000 students. They study subjects such as painting and sculpture, graphic arts and design, music, theater, and film and TV.

Museums

Germany has a total of some 3,000 museums. A total of 300 new museums have been established since 1990. Museums are supported by the Federal Government, the Länder, by administrative districts (Kreise), by communities and by clubs and private persons.

Most museums are regional heritage museums with exhibits that present the history of particular regions.

Each year, Germany's museums put on some 7,800 exhibitions. The total number of visitors averages over 100 million per year. In recent years, museum attendance has been declining.

Music

Germany has over 80 theater orchestras and some 44 "pure" orchestras. These orchestras have a total of some 8,000 professional musicians.

A strong emphasis is placed on musical education. Music is one of the subjects taught at intermediate general education schools (Realschule) and at high schools (Gymnasium). Germany has over 1,000 music schools; at these schools, some 790,000

young people between the ages of 4 and 20 receive extracurricular music instruction.

The competition "Jugend musiziert" ("young people make music") has been held every year for the past 25 years. Each year, over 10,000 young people enter it. The national winners receive special financial support.

Choir singing is very popular in the Federal Republic of Germany. The Deutscher Sängerbund, the German national choir association, has over 20,000 member choirs, with a total of 1,8 million singers.

Dance

Many German cities have private ballet schools that offer instruction for both children and adults. Academies of the arts offer training for people who wish to become professional dancers.

Clubs

Clubs are extremely popular. There are clubs for animal husbandry, gardening, carnival, singing, sports, etc. The last of these categories includes clubs for all the various sports: tennis, soccer, marksmanship, etc.

Over half of the country's population is involved in at least one club. Tax breaks are provided to clubs, within the framework of cultural support.

Movies

German movie theaters had a record year in 1999: the number of admissions grew by 0.1% over the previous year, to a total of 149.0 million. The most popular films were American movies.

Many larger cities have been building movie centers with restaurants, etc. In order to make moviegoing more popular.

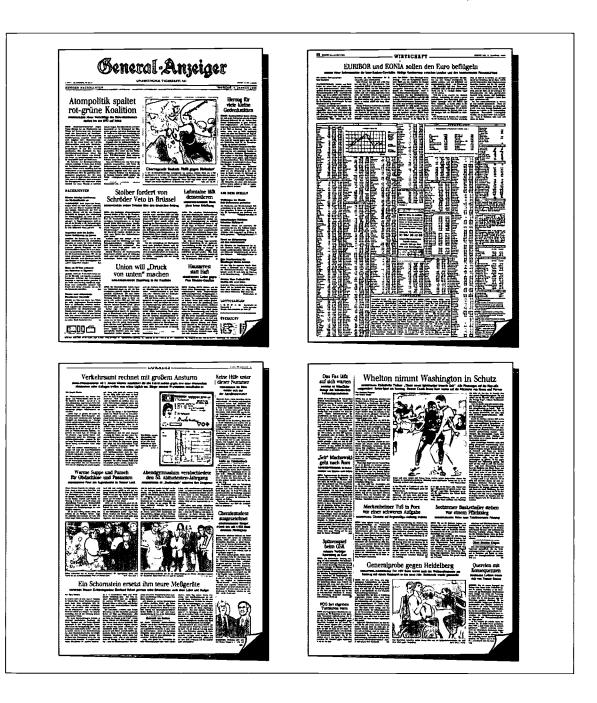
Evening Schools

Almost every city in Germany has evening schools (Volkshochschulen). Most of their students are adults. The most popular subjects are languages, music and the arts, health care and, computers. Course fees are quite low, because the schools are publicly subsidized.





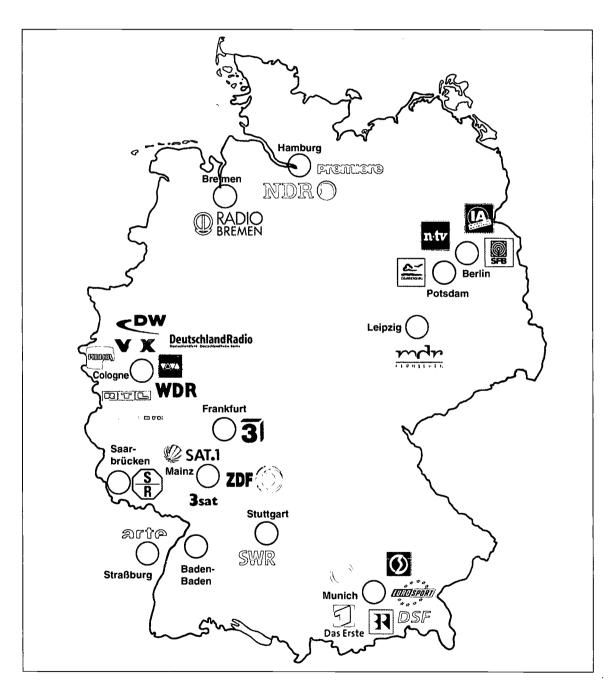
The Press



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Radio and Television



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The Media

Page 1

Press

Germany has a free press. Its press is independent of the state. Germany's citizens have a wide variety of newspapers and magazines from which to choose and with which to inform themselves.

A total of some 369 daily newspapers with 1580 local and regional editions and some 10,000 magazines appear in Germany. The total number of titles has been increasing, in spite of declines in circulation.

Concentration (mergers, takeovers, etc.) in the media sector poses a threat to diversity of opinion. The level of concentration among daily publications has steadily increased, and now the ten publishing houses with the largest circulations have a combined market share of nearly 60%. The press sector is strongly influenced by the following four large publishing houses: Bauer (Hamburg), Springer (Berlin), Gruner + Jahr (Hamburg) and Burda (Munich).

Most regions now have only one regional newspaper.

The network of interrelationships between media companies continues to grow. National newspaper and magazine publishers have been acquiring greater and greater interests in local and regional private broadcasting stations.

Since 1994, many newspapers and newsmagazines have been available online. The demand for this form of delivery is still low, however, due to the relatively high fees involved.

Daily newspapers

Three of four Germans read a newspaper every day. The total circulations of daily newspapers in 1998 was about 25.2 million. Overall, circulations have been decreasing.

Fewer than half of the country's newspapers have separate editorial staffs for all areas of coverage (politics, business, culture, sports, etc.). The main reason for this is the trend toward publication of regional editions of the same paper (i.e. with a common general section and separate regional sections).

The largest regional newspapers are: WAZ (Westdeutsche Allgemeine Zeitung) EXPRESS (Cologne, Bonn, Düsseldorf) HANNOVERSCHE ALLGEMEINE ZEITUNG RHEINISCHE POST (Düsseldorf) LEIPZIGER VOLKSZEITUNG

SCHWERINER VOLKSZEITUNG

The leading national newspapers include: BILD

SÜDDEUTSCHE ZEITUNG

DIE WELT

NEUE ZEIT

FRANKFURTER ALLGEMEINE ZEITUNG FRANKFURTER RUNDSCHAU

Nearly one third of all newspapers are published by publishing houses of the Springer Group.

Regional newspapers tend to have the same format. The transparency shows the example of the GENERAL-ANZEIGER, which is published for Bonn and the surrounding area:

- The first (usually three) pages report on current events in Germany and the world. An editorial comments on the most important event of the previous day. A "voices of the press" column contains short excerpts from other newspapers, both national and international.
- The local section focuses on events in the city and the surrounding region; a daily calendar lists events of interest for the day.
- The paper also contains an obituary section (death notices).
- The "feuilleton" section focuses on important cultural events and the arts, literature, etc. This section contains reviews of concerts, plays, new books, etc.
- A letters to the editor section gives readers an opportunity to comment on reports in previous issues.
- The business section contains a wide range of business-related information and articles, including stock market listings, consumer information, environmental protection, the price of heating oil, discussions of debt crises, etc.
- The sports section reports on the most recent events from the world of sport and announces upcoming events of interest.
- A TV/novel page contains the TV schedule for the day and the latest installment of a serialized novel.
- A "panorama" section contains the weather forecast and reports on important, and not-so-important, matters around the world.
- On certain days, the newspaper contains special supplements. For example, on Fridays, it contains a TV/radio magazine for the following week; on



The Media

Page 2

Saturdays it has real estate and help wanted/job wanted (employment) sections.

Magazines

The total of some 10,000 magazines published in Germany includes about 4,000 trade journals, about 2,000 general interest publications, including illustrated magazines and radio/TV schedule magazines, and about 100 political weeklies.

Examples of weekly newspapers include: DIE ZEIT, RHEINISCHER MERKUR.

The radio/TV schedule magazines have the largest circulations of all magazines and illustrated magazines. The most popular ones include:
HÖR ZU, DAS NEUE BLATT, NEUE POST, BURDAMODEN.

Weekly magazines have also suffered decreasing circulation and reduced advertising revenue.

In 1993, DER SPIEGEL, up to that time Germany's only newsmagazine, was joined by a competitor: FOCUS, a new publication.

The monthly publication PRO JOB has been in existence since March 1994. This nationwide magazine, which is aimed at unemployed people, has especially low advertising rates for people looking for work.

Radio and TV

Germany has a so-called "dual broadcasting system" that consists of both private and public broadcasting networks. As in the press sector media concentration has become a problem in the radio and TV sector. As of 1994, two media groups controlled 90% of the private programming on German TV.

Public networks

Programming offered by Germany's public radio and TV broadcasting networks is not subject to state control. In 1961, the German Constitutional Court (Supreme Court) ruled that radio and TV must not be subject to the control of either the state or of particular groups. All important groups within the society must be able to influence programming.

Radio and TV broadcasting networks in the Federal Rebublic of Germany are so-called "public-law institutions", i.e. they are not private institutions. They are held publicly responsible to provide a diverse range of information and entertainment.

The ARD network comprises nine regional

broadcasting networks:

NDR: Norddeutscher Rundfunk SFB: Sender Freies Berlin

DW: Deutsche Welle

WDR: Westdeutscher Rundfunk

DLF: Deutschlandfunk hr: Hessischer Rundfunk

SR: Saarländischer Rundfunk

SWF: Südwestfunk

BR: Bayerischer Rundfunk

It also includes the following two stations:

Radio Bremen

Süddeutscher Rundfunk

Each broadcasting network has a broadcasting council in which all important groups of the society are represented. The broadcasting council elects the Intendant, the network director.

Every broadcasting network broadcasts three or four different channels within its broadcasting area; each channel has a different emphasis.

Example: Süddeutscher Rundfunk – three channels 100 hours of broadcasting break down in the following way for each channel:



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The Media

	1st channel	2nd channel	3rd channel
"Serious" music	1.1	60.6	0
"Easy listening"	48.0	2.6	68.0
Politics	16.2	10.2	10.1
Culture/education	6.3	23.2	1.9
Advertising	2.2	0	1.7

All of the ARD public broadcasting networks join in producing the "1st TV Channel" (erstes Fernsehprogramm). Together with the ZDF ("Second German TV" – Zweites Deutsches Fernsehen), they produce the nationwide morning programming, which is the same for both channels. ARD and ZDF offer different afternoon and evening programming.

Competition from private broadcasters is growing. Their ratings (in terms of both viewer numbers and viewing hours) are constantly improving, at the expense of the public networks. Declining ratings, decreasing revenue and freezes on radio/TV fees through 1996 (the fees are collected from viewers) have forced the public broadcasting networks to cut costs.

The public networks have customarily achieved excellent ratings for TV series they produced themselves.

Radio/TV fees are the main source of funding for public networks; these fees are collected from users of radios and TVs. Currently, the radio/TV fees amount to DM 28,25 per month.

A second, less important source of revenue for public broadcasting networks is advertising. The public broadcasting networks carry relatively little advertising, and the advertising they do carry is broadcast in short blocks. TV programs have no commercial breaks. To date, no advertising is permitted on weekdays after 8 p.m. and on Sundays (no advertising all day).

Private networks

The private networks are winning in their competition with the public broadcasting networks. Examples of private networks are RTL, SAT 1, Pro 7 and n-tv.

In 1999, RTL, a private network, was the mostwatched network in Germany. This marked the first time that a private network had won the ratings competition. RTL's 19% market share was larger than that of the public networks.

Private networks attract most of their viewing audience with game shows, sitcoms, crime/police shows and erotic films. Their news/informational programs tend to be "infotainment", a mixture of information and entertainment.

With cable and satellite connections, viewers can now receive a large number of national and international channels. In 1997, some 200 satellite channels were on the air.

In the radio sector, private networks have gained 35% of the market (measured in terms of listening duration). The number of private radio broadcasters has reached 230. Many of the private radio networks broadcast almost nothing but music.

In addition to nationwide TV programming, there are regional TV channels (TV channels broadcast over a regionally limited range) and local radio channels (radio programming devoted to local issues).

Advertising is the only source of revenue for private networks. Unlike public networks, private networks are allowed to carry advertising around the clock. They are also permitted to devote up to 20% of their daily broadcasting time to advertising.

Competition among private networks is growing; the numbers of private networks are increasing. Private networks are seeking to increase their market shares by presenting their own productions and new programming formats.



Germany Marks "Crystal Night"

The Atlanta Journal / The Atlanta Constitution

WORLD

Germany marks 'Crystal Night'

Thousands rally against new racism

ASSCYTIATED PRESS

Bedin — Germans marked the S4th anniversary of the Nazis' "Crystal Night" attacks on Jews with solemn memories Monday of destroyed Jewish communities and warnings about a wave of neo-Nazi violence. Nearly 100,000 Germans demonstrated across the country.

In Berlin, Mayor Eberhard Diepgen helped lay the cornerstone of the new Jewish Museum, intended to draw the world's attention to today's treatment of Jews in the city where the Holocaust was planned.

Germans also marked the third anniversary of the Berlin Wall's fall, but no one was in much of a mood to celebrate after violence by anarchists Sunday disrupted a huge rally against right-wing extremism.

The euphoria of unification gave way long ago to worries about the cost of merging the country's bankrupt formerly. Communist eastern lands with its long prosperous west. The burden has been compounded by the cost of caring for tens of thousands of foreign asylum-seekers, which has bred resentment among many Germans and fueled attacks on foreigners by rightists.

All over the country, observances of What Cermans call the "Pogram Night" of 1938 were colored by worry about the right-wing violence and new signs of anti-Semitism.

Vandals painted swastikas and slogans saying "No to Arabs and Jews" on a monument to 19th century Prussian royalty in Berlin late Sunday.

The head of the Central Council of Jews in Germany, Ignatz Bubis, said at a ceremony in Bremen that the wounds of the Holocaust are not yet healed, and he admonished political leaders to stand up to extreme rightists.

Weak leadership was a prime cause of the collapse of Germany's post-



usocusted Press

A young demonstrator against Neo-Nazi violence holds up a mock Molotov cocktail Monday during a rally in Frankfurt, Germany.

World War I democracy, the Weimar Republic, Mr. Bubis said.

Nazi thugs attacked synagogues and Jewish homes and businesses throughout Germany on Nov. 9, 1938, leaving so much broken glass that it became known as "Crystal Night." It marked the start of open persecution of Jews and foreshadowed the Holocaust, which claimed the lives of 6 mittion European Jews and millions of others.

On the same date in 1989, the Berlin Wall opened, so Germany marked contradictory anniversaries Monday.

To celebrate the end of the city's #

vision, Berlin granted its highest award
— honorary citizenship — to former
U.S. President Ronald Reagan, former
Soviet President Mikhail Gorbachev
and German Chancellor Helmut Kohl
in recognition of their services in ending the Cold War

"The old and new wounds are heal-

"The old and new wounds are healing." Mr. Gorbachev said in his acceptance speech. "The rebirth of a unified and democratic Berlin is also a symbol, the symbol of a new time, a time of overcoming not only the division of Germany, but also of all Europe."

Mr Reagan-did not attend

Thrill of fight inflames some young rioters

-SOCATED PRESS

Berlin — They go by various names, such as "the autonomous" or "the thao-tics." Many Germans simply call them anarchists.

Tough and Yeady to brawl, Germany's violent ultra-leftists regularly shock the establishment, as they did Sunday.
A group of a few hundred extremists

A group of a few hundred extremists managed to steal the show from 350,000 demonstrators during a huge anti-racism rally, showering President Richard von Weizsäcker and other politicians with eggs, tomatoes and paint bombs.

Although they espouse leftist causes, some leftist roters are less driven by ideology than by the sheer thrill of a fight with police. They regularly attack symbols of German might, including the of inces of the Damler-Bettz congromerate and the Deutsche Bank.

Usually in their early 20s, they dress in black with Palestinian checkered scarves ready to be used as face covers or protection against tear gas. They often wear ski masks to conceal their identities and march under red-and-black anarchist banners and black skull-and-crossbones flags.

Their preferred weapons are sticks, flares, rocks and beer bottles. Although the anarchists are poorly equipped, it can take highly trained border troops backed by water cannon and tear gas hours to disperse them.

Every May Day, the radicals turn Berlin's Kreuzberg district into a battlefield, setting cars on fire, smashing windows and fighting with police late into the night.

Kreuzbeig, where many anarchists live, is the center of Berlin's counterculture. With the fall of the Berlin Wall, the anarchists also have moved into some sections of eastern Berlin and illegally taken over abandoned houses.

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Kohl: Democracy Will Defend Itself Against Rightwing Extremism

In a policy statement to the Bundestag on Thursday (December 10, 1992) Chancellor Helmut Kohl called on democratic forces in Germany to stand against every form of political violence. "We are witnesses to a frightening increase of acts of violence in our country," the chancellor said, "of which the arson attack in Mölln is a particularly distressing example." He stressed, however, that Germany could control the violence. "Our free and democratic state is willing and able to fight violence and extremist terror with all the means at its disposal," he declared. Kohl stressed that "the use of violence must remain a taboo in our society. Whoever breaks it, must feel the full force of the law ... There is no justification for violence, for anybody," he said. "Those who believe that our country can be changed by creating a climate of intimidation, of terror and fear, are mistaken. The Federal Republic is a democracy that knows how to defend itself and we will prove it."

The chancellor cited data on the increase of criminal offenses, of which, he said, there were nearly three million in the first half of 1992. Moreover, he said, "since the first of January of this year until today, over 2,000 acts of violence with proven or suspected rightwing motivation have been registered. The majority of the perpetrators are between twelve and twenty years old. Seventeen people have been killed in 1992, of whom eight were foreigners. More than one-third of the criminal offenses were arson attacks or bombings." Additionally, he said, the total number of militant rightwingers ready to use violence has been estimated at over 6,000.

The head of the Verfassungsschutz, Germany's domestic security agency, Eckhart Werthebach, said recently that in addition to the militant rightwingers, the rightwing parties in Germany had about 40,000 members. Although these parties, which include the Republikaner, the Deutsche Volksunion (German People's Union) and the Nationaldemokratische Partei Deutschlands (National Democratic Party of Germany), may not explicitly advocate violence, their open anti-foreigner programs create an atmosphere in which an outbreak of violence is, at the least, unsurprising. For this reason, a regional meeting of

the *Republikaner* was recently canceled by court order.

Germany's history, the chancellor continued, and the recent National Socialist past in particular, places a particular obligation upon Germans to prevent violence, to protect the dignity of man and to guarantee human rights with all the means of the constitutional state. "We feel especial solidarity with all citizens of the Jewish faith," he declared. "We owe that to the memory of the victims of National Socialism."

In a reference to public debate in Germany about whether new laws are needed to combat rightwing violence, or whether stringent application of the existing laws would suffice, the chancellor said that "it would be a false understanding of liberality if the state were to be hampered in the persecution of politically-motivated terrorists. A state that cannot ensure justice loses the trust of its citizens. When the security of its citizens is endangered, their freedom is also at risk. The existing laws must be forcefully applied and respect for the law must be created and ensured." At the same time, he declared that "where existing laws do not suffice, they must be changed."

The chancellor also cited the commission set up recently to develop ideas for a "security offensive" as proof of the government's willingness to act. He called on the states to "not only consider questions of jurisdiction, but also to show the utmost in national joint action together with the federal government in the right against political terrorism." "Those who stand aside or look away only contribute to encouraging violence," he said.

from: The Week in Germany, December 11, 1992, pp. 1-2.





<u>Violence Against Foreigners</u>

Frankfurter Allgemeine Zeitung, (September 15, 1992):

"However, this understanding (on the part of people outside Germany for the situation there) will fade, the longer German politicians fail to end the chain of violent acts, which is without parallel in western Europe, if one excludes separatist terror. The impression is becoming stronger abroad that there is a lack of effective police action and legal countermeasures, because there is no decisive political leadership. A shaking of heads can be observed about the fact that the still unusually prosperous Germans, in a European comparison, are still squawking because of the 'costs of unification,' that is to say, quarreling about investments in the future, without noticing that burdens from the past are threatening to grow beyond their control."

Süddeutsche Zeitung, Munich, (September 16, 1992):

"With the policy change of the SPD leadership regarding asylum matters, a hope might have arisen, namely the end of the disastrous party quarrels. But it is already fading before the policy change has been completed. The Social Democrats will struggle with Article 16 of the constitution during their special party conference; however, the Union parties are already concentrating on Article 19, on the abolition of the legal protection for refugees. The heavy-handed quarrel is being continued under a new guise: in the future, the Geneva refugee convention is to be used as a standard. What this means ... will be contested as much the meaning of article 16 has been until now. If the fundamental right to asylum is reduced to a simple asylum right, then the second step in the quarrel will center on whether the simple asylum right must become a mere granting of asylum. If that is the way it turns out, then God help Germany! In a time of individual and organized manhunts, only those who come out most strongly for those who are threatened, and against the manhunters have the right to change laws. Any law and order begins with the defense of life and limb. This means: the CSU should take up the suggestion from the president of the National Association of Chambers of Commerce and assume sponsorship for refugee homes. And Helmut Kohl and Björn Engholm (SPD) should call together

their regional organizations and put themselves at the head of a mass demonstration against the violence. Without such manifestations of basic common convictions, any changes in the law are immoral and dangerous."

Nürnberger Nachrichten, (September 15, 1992):

"(The violence in Germany) long ago ceased to be about an amendment to or change of the relevant article in the Basic Law, and it's not even primarily about how many refugees and resettlers a society can absorb. What's really at stake are the basic values on which the Federal Republic is oriented. Not one night has passed since the riots in Rostock in which refugees were not attacked and often inadequately protected. The fact that most of these incidents took place in eastern Germany is no reason for leniency. Since October 3, 1990, the Basic Law has applied to the area of the former German Democratic Republic as well. It opens – perhaps we must refresh our memories? - with the words 'The dignity of man shall be inviolable. To respect and protect it shall be the duty of all state authority.' Death threats against foreigners and Molotov cocktails thrown at asylumseeker shelters are not 'riots,' as they are often minimizingly termed. They are attacks on the constitution."

from: The Week in Germany, September 18, 1992, p. 3.





The New Asylum Agreement

Page 1

Quote 1

Süddeutsche Zeitung (December 8, 1992):

"A compromise has been made. It was yearned for because the damage from the twenty-year-long debate on asylum had already assumed democracyendangering proportions, because the political atmosphere was and is unbearably poisoned. Nevertheless, the price for the end of the debate is too high. The state is secretly weaseling out of the guarantee of a constitutional procedure. It is abusing the right to asylum in its own way, by allowing it to remain, but only as a dummy. The complete elimination of the basic right to asylum would be more honest. Whether the new Article 16a of the Basic Law is unconstitutional will be up to the highest court, in Karlsruhe. In any case, this is a dishonest constitutional right; the compromise appears to preserve a basic right at its core. But it does exactly the opposite: it keeps the shell and destroys the essence."

from: The Week in Germany, December 11, 1992, p. 3.

Quote 2

Frankfurter Rundschau (December 8, 1992): "There it lies, the basic right to protection fr

"There it lies, the basic right to protection from political persecution, undermined and shattered in 50 hours of haggling among the Christian Democrats, the Christian Social Union, the Free Democrats and the Social Democrats. If the socalled compromise becomes law. Article 16 of the constitution will lose its substance. The desire for asylum, even if only for a short time, must be taken under consideration. That's what the Basic Law states now. In future, the constitution is to bar nearly all those who flee to us from a hearing and from the possible right to remain in the country. 'Persons persecuted on political grounds shall enjoy the right of asylum – but not in Germany.' If the great Bonn asylum coalition were honest and courageous, they would have suggested that formulation for a new Article 16. The change they seek to the Basic Law means that refugees who come into the Federal Republic by law (and they are more than 90 percent) have practically no chance for a hearing. Because the established parties will raise all European Community member nations

and all Germany's neighboring nations to the status of secure third countries in short order." from: The Week in Germany, September 18, 1992, p. 3.

Quote 3

General-Anzeiger (Bonn, December 8, 1992): "The goal of preserving the individual right to asylum will not be reached. At least this much is correct: this basic right will remain in the constitution. However, hardly anyone will actually be able to exercise it. The trick that the CDU/CSU proposed and the SPD and the FDP thought they had to accept is easy: the Federal Republic will be surrounded by a wreath of countries that are declared as secure 'third countries,' Whoever comes from these countries no longer has a chance of an asylum hearing. This way of shuffling off the problem may still be permissible with other countries in the European Community (after all, everyone talks about European harmonization of asylum laws), but in dealings with Poland, the Czech and Slovak Republics, Austria and Switzer-

from: The Week in Germany, September 18, 1992, p. 3.

Quote 4

die tageszeitung (Berlin, December 8, 1992):

land, it's asking too much."

"If ever a compromise earned the adjective rotten, this is it. The internal sign is: we're showing how to use the constitution to create false labels and are thereby laying the groundwork for the often-called-for constitutional patriotism. In foreign policy terms, the enlarged Germany once again shows little sensitivity to its neighbors. After the costs of unification were shunted off on the rest of Europe through high interest rates, now the poor eastern European countries on the periphery of the EC are to serve as collection centers for the ever poorer and politically persecuted... But perhaps the SPD leadership miscalculated with this merciless policy of solidarity with the voters. In any case, on the same evening that the established politicians saved the Basic Law in their own way, in the center of Bavaria, despite (Bavarian Prime Minister Max) Streibl, (Federal Finance Minister Theo) Waigel, and (Bavarian Minister for Land Development and Environment) Gauweiler, 300,000





The New Asylum Agreement

Page 2

people made it clear (at a demonstration in Munich) that they want something other than refugee-free shopping during extended shopping hours on Saturday."

from: The Week in Germany, September 18, 1992, p. 3.

Quote 5

Hannoversche Allgemeine Zeitung (December 8, 1992):

"Only quiet voices and cautious appraisals are really adequate for the remarkable compromise which has finally been reached on amending the right to asylum in the Basic Law. In mutual responsibility, the governing parties and the Social Democratic opposition fulfilled a difficult and unpleasant duty. The way that they did so was not commendable in all its phases. Even if the agreements were necessary earlier, they will now lead to a sustained alleviation of the problem. New borders were drawn between protection for the politically persecuted and the general immigration problem that cannot be solved with Article 16. The limitations promise to work in practice; in all probability, there will be palpable relief by mid-1993."

from: The Week in Germany, September 18, 1992, p. 3.

Quote 6

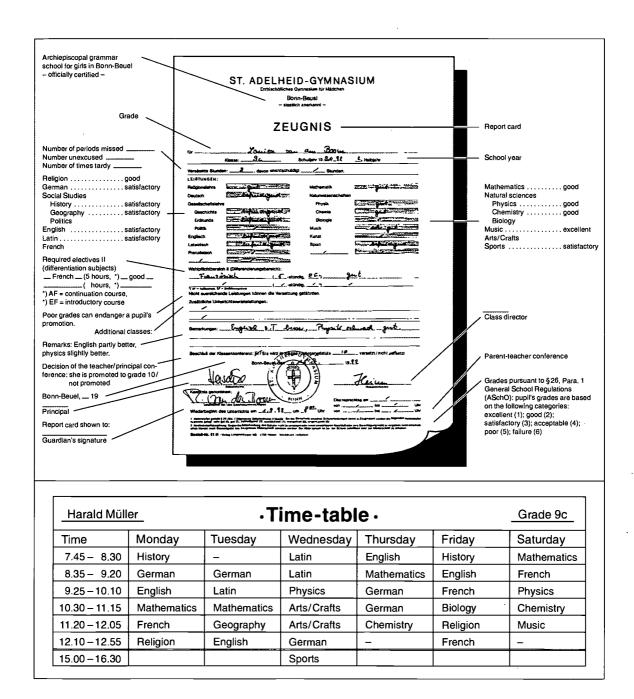
Rhein-Neckar-Zeitung (Heidelberg, December 8, 1992):

"What has now become possible under incredible domestic political pressure must not be talked to death again. Whether this agreement will hold up the dikes that let through political refugees but keep back so-called economic refugees, nobody knows. It rather looks as if the flood of suffering people from eastern to western Europe will swell. Bonn only diminished the incentive to see Germany as the only door to knock at."

from: The Week in Germany, September 18, 1992, p. 3.



The School Schedule



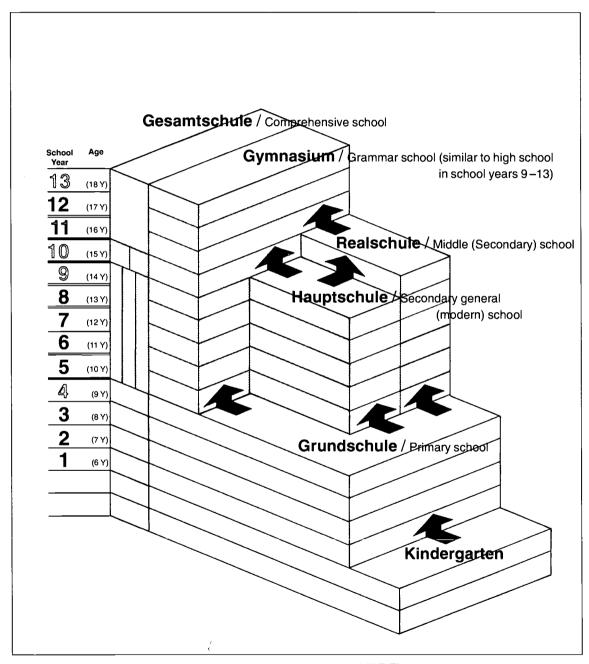
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The School System



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A Primer on German Schools

Page 1

Choosing a Track

In Germany compulsory public education begins at age 6 and continues for nine to 12 years with the possibility of an additional three years of vocational schooling. After Grundschule (elementary school, grades one through four), students choose one of three options:

- Hauptschule, a middle school, grades 5–9, with the probability of continuing study at a vocational school for three years beyond the ninth grade.
- Realschule, middle/secondary school, grades 5–10, where students prepare for mid-level, non-professional careers.
- Gymnasium, middle/secondary school, grades 5–13, where the focus is on preparing for higher education
- Comprehensive School, grades 5–13, which includes Hauptschule, Realschule, Gymnasium.

Vocational Schools

The six types of post-middle/secondary vocational schools in Germany are:

- Berufsschule part-time, for students taking initial vocational training and those who go to work after Hauptschule and are required to complete additional schooling.
- Berufsfachschule full-time, for students who have graduated from Hauptschule or Realschule.
- Berufsaufbauschule full-time, mid-level, for those who want to broaden their general and vocational training after compulsory vocational training.
- Fachoberschule part-time, advanced-level, for students in 11th and 12th grades who have completed Realschule and want more theoretical and practical education in fields such as engineering, business administration, home economics, social work, design, navigation. A diploma from Fachoberschule allows a student to enter Fachhochschule (technical college).
- Berufliches Gymnasium full-time, advanced-level, a Gymnasium with vocational emphasis, courses in economics and technical sciences. With a diploma from here a student can continue at an institution of higher education.

 Fachschule – full-time, advanced-level, offering advanced vocational as well as general education for students who will be mid-level managers in the workplace. Most students here have worked for several years in their field of specialization.

In Germany, attending college or university is not the usual course for all students. In fact, about one-third of all students leaving school in any given year will do so. Approximately two-thirds will enter vocational training within the traditional dual system: a combination of hands-on, practical experience and theoretical instruction in the skill of their choice. Transparency 12 demonstrates this two-sided approach to training.

The opportunities for vocational training in Germany are great. Possibilities exist in almost every firm and company, big or small; public vocational training schools are within the geographic reach of every potential trainee in the country. At present, there are opportunities for training in the country. Currently, there are opportunities for training in over 380 different skills and trades.

The vocational training system is supported by the government and supervised by local chambers of commerce and industry. Apprentices are paid a substantial wage, the exact amount of which varies according to the skill in question and increases in the course of the training.

In 1993 in West Germany 568,700 apprenticeship opportunities were offered. In East Germany 84,000 opportunities. In the United States, a nation with a population three times the size of Germany's, there are just 300,000. Experts and business leaders agree that this system of vocational training contributes in no small way to Germany's economic strength and success in the world market. Daimler-Benz offers a total of 17,000 training positions in 80 skills within its different subsidiary companies (Mercedes-Benz, AEG, Deutsche Aerospace and InterServices). At Daimler-Benz, most apprentices train for automotive and industrial mechanics, airplane construction mechanics and electronic communications specialities, and during the 3-4 years' training, the young men and women are paid on average \$700 per month.



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A Primer on German Schools

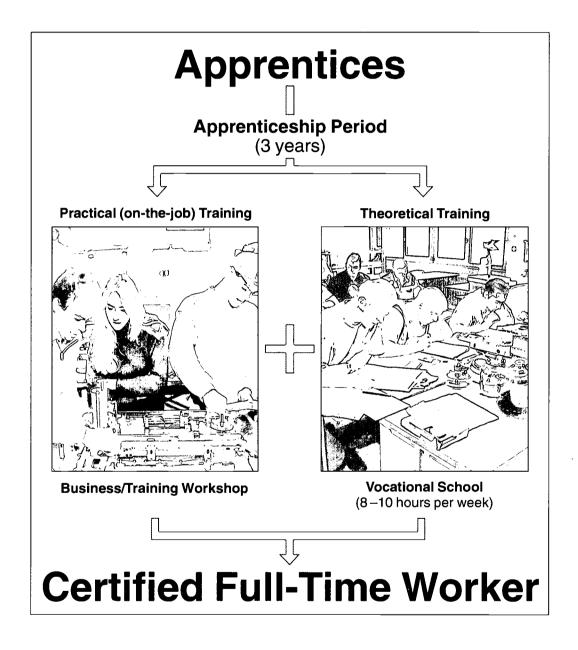
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Higher Education

German institutions of higher education include degree-granting universities and technical colleges for study in the arts and sciences and professions; teacher colleges; music academies; art academies; general colleges and special discipline colleges.



Apprentices



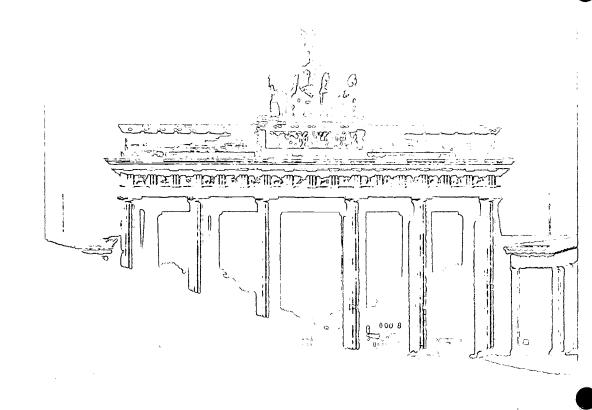


The America 2000 National Education Goals

By the year 2000:

- 1. All children in American will start school ready to learn.
- 2. The high school graduation rate will increase to at least 90 percent.
- 3. American students will leave grades four, eight, and twelve having demonstrated competency in challenging subject matter including English, mathematics, science, history, and geography; and every school in America will ensure that all students learn to use their minds well, so they may be prepared for responsible citizenship, further learning, and productive employment in our modern economy.
- 4. U.S. students will be first in the world in science and mathematics achievement.
- 5. Every adult American will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship.
- 6. Every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning.







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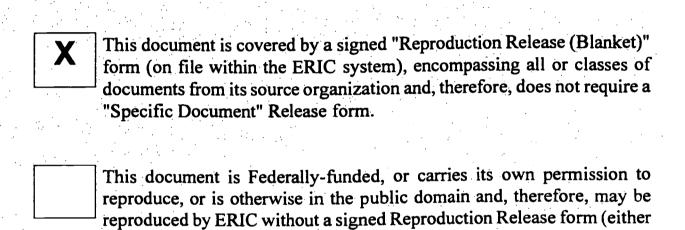
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